Daily Report

Latin America

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Cuba

Further Castro Remarks at Cooperatives Meeting

FL2305192288 Havana Television Service in Spanish 0000 GMT 22 May 88

[All speakers other than Fidel Castro identified by caption]

[Text] Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, has taken part in the working sessions of the third national meeting of cooperatives underway at the Palace of Conventions. Our reporters have more:

[Reporter Menardo Perez] In our opinion, the first day of the third national meeting of agricultural-livestock cooperatives, held at the Palace of Conventions under the chairmanship of our commander in chief, can be described as satisfactory. Important topics in connection with the increased production of tubers and vegetables, as well as the utilization of water, were discussed today. Our commander said, with regard to the latter, that we are the worst wasters of water. He stressed:

[Begin recording] [Castro] In countries with little water, in countries of the Middle East, people have a highly developed technology for the best use of water. Cuba is a place where it rains a lot; water is plentiful. That is why we waste so much water. When I saw the (Sasa) dam, with a billion cubic meters; when I saw that so much rice was cultivated there with underground water... [changes thought] Since this dam was built in this rice area all that we have done is waste water. I don't think anyone has any idea of how much water we waste. Now, with the acute drought, Pinar del Rio has begun to apply the method of water recycling. Instead of letting it flow to the sea, they pump it again and recycle it for use in the rice fields. Otherwise, we could build 10 dams like the one for the (Sasa) and it would still not be enough for the rice. We in this country are the worst wasters of water. Why? Because nature gave us a lot of water. Compare Cuba, where 1,200, 1,300, and up to 1,400 [unit not specified] fall—even though it can be less than 1,000 in some provinces some years—with those countries that get 300 and just a bit more than that. These countries grow citrus, vegetables, etc, with that amount of water.

So a water conservation philosophy should be one of our objectives as farmers. We are talking here as farmers. This is more than a meeting of cooperatives. [end recording]

[Perez] Later, the conferees discussed the use of residual water. Pinar del Rio Province served as the example.

[Begin recording] [Pablo Hernandez, of the agricultural irrigation directorate] Speaking of rice, we have determined that up to 30 or 40 percent of the standard can be reused. It could be something like 3,000 cubic meters per hectare.

[Castro] What is the standard?

[Hernandez] Depending on the season, etc, the standard for rice is between 10,000 or 12,000 cubic meters per hectare.

[Castro] It used to be 16,000 a short time back.

[Hernandez] Well, that's the gross figure. It includes the losses. I wanted to explain something to you about this, Commander...

[Castro, interrupting] Don't you think we waste a lot of water on the rice?

[Hernandez] It can be better used by improving the quality of the systems. We feel that this is the third line of work in this business of hydraulics.

[Castro] Yes.

[Hernandez] [Words indistinct] the machinery and plant the rice using more modern methods: level the area, make the canals...

[Castro, interrupting] Flat terraces?

[Hernandez] Leveling, flat terraces...

[Castro, interrupting] Or semi-flat?

[Hernandez] Or (?conventional) terraces. And build tertiary canals, which don't exist in the rice fields.

[Castro] What kind of canals?

[Hernandez] Tertiary. The last, permanent lines of canals. At present they are temporary. They're very roughly-made, and this implies a very big amount of water to fill the terraces, etc. In other words, the third...

[Castro] Well, we have to find out the causes, wherever they may be.

[Hernandez] The third line in saving water is that; the modernization of the rice fields.

[Agriculture Minister Adolfo Diaz] Commander, we were not using the residual water. One of the concerns of the rice growers was that by irrigating the fields with water that had already been used, some combinations of elements might be introduced. As you said, this had to be done last year in Pinar del Rio. But it was also done in Granma and in the rest of the rice fields. What we have accomplished is the reduction of water consumption in terms of gross and actual standards. We have been able to cut down on these figures. This is a result of what the comrade has already explained to you, which is basic: the completion of all the tertiary systems in the rice fields. A program exists for that. As you pointed out, some means are still needed to complete the rice fields. There can be substantial savings; there is no doubt about that. [end recording]

[Perez] An exchange took place between Fidel and Miguel Jimenez, president of Matanzas' 26 de Julio CPA [Agricultural-Livestock Cooperative], at another point in the discussions.

[Begin recording] [Castro] How many people do you have in your office?

[Jimenez] I have three comrades in my office.

[Castro] Three. If you were a state enterprise, how many would you have?

[Jimenez] How's that?

[Castro] If you were a state enterprise, how many would you have?

[Jimenez] The ministers are looking at me. I don't know how many. [laughter] Adolfo and [Sugar Industry Minister] Herrera are looking at me. At this time, we are under the obligation because of the paperwork—no one has brought up the paperwork, and you...

[Castro, interrupting] You have three employees in the office, isn't that right? And you keep an account of all the costs.

[Jimenez] All the costs.

[Castro] And all the controls.

[Jimenez] All the controls.

[Castro] So, what do you think? Why don't you help us to philosophize a bit? You may not know a lot about agronomic engineering, though you probably do in practice. But you must know a bit about the philosophy of life.

[Jimenez] Go ahead.

[Castro] Why do you think the state enterprises have so much bureaucracy?

[Jimenez] My opinion is my very personal view. It's a problem of heredity.

[Castro] What kind of problem?

[Jimenez] Heredity. It was inherited from capitalism.

[Castro] No, sir. [laughter] That's not true.

[Jimenez] Well, I...

[Castro, interrupting] The capitalists did not have 200 workers...

[Jimenez, interrupting] No, no, I'm going to explain, I'm going to explain why.

[Castro] No, no. I wish we had inherited from capitalism the scant bureaucracy they had in the offices. Were that so!

[Jimenez] I say inherited because I also worked in the sugar mills. That's where you saw the most bureaucracy, the large number of comrades who worked in the offices.

[Castro] Of course, the sugar mills. That's true.

[Jimenez] Ah, you see. That's why I wanted to explain.

[Castro] But I would like to compare it with what we have.

[Jimenez] No, no. But what is the problem? I sometimes am frightened when, for instance, I see the amount of people in a brigade. There are enough people in it to put on a show. Then I go to my office, and sometimes... [changes thought] Luisito [not further identified] came over the other day and criticized me because my office looked like that of a big enterprise. The fact is that I have only three comrades, but I am creating the conditions because I don't know how long they are going to keep asking me for paperwork. You once told us that we had to cut down on paperwork and meetings by 50 percent.

[Castro] Paperwork?

[Jimenez] Yes, yes.

[Castro] You should cut it down by 80 percent at least!

[Jimenez] Oh, well. We keep...

[Castro, interrupting] Eighty at least. I want to insist on this. Of course, you know that we are working on the problems of the state, industrial, and agricultural enterprises, and that we are trying to automate everything. We are trying to introduce computers, savings, etc. But it would be very beneficial for the revolution, as big a benefit as what we are talking about: yields, water, [word indistinct] machines, (?mini-sprays), the 100,000 arrobas per caballeria. This is not something urgent. No, it's not very urgent. If we apply rational principles in all those enterprises, there would be enough people left without a job that it would become a political problem.

So, I'm not talking about something immediate. But we do want, in defense of our socialism, in defense of our beautiful cause and our ideals, to think about eradicating that cancer of bureaucratism, that cancer of indirect workers [trabajadores indirectos] in production. How do we clean that up? I know we can clean it up. Sooner or later, we are going to clean it up. [end recording]

[Perez] The third national meeting will continue its sessions tomorrow, Sunday.

Discusses Distribution Issue

FL2305230488 Havana Television Service in Spanish 1700 GMT 22 May 88

[Excerpts] The third meeting of livestock-agricultural production cooperatives continues at our capital's Palace of Conventions. The meeting is being presided over by our Commander in Chief Fidel Castro. The delegates have made important remarks.

[Begin recording] [Passage omitted] [Unidentified delegate] Women are given a quarter for tennis shoes. When working women go to buy tennis shoes they are gone. I mentioned it the other day at the People's Assembly meeting, that there are no women's tennis shoes. There are those women call piculinos. The card says piculinos. Good-quality tennis shoes are sold in the free market to town homemakers and those women resell them because they are attractive tennis shoes you can wear to go out. So, peasant women end up with the piculinos. Those are the ones they get with the card. These are some of the concerns we peasants have.

Another problem we have is that I was given a bicycle when I first had a cooperative. When vehicles arrive at warehouses with a load of bicycles you can see people in line who take bicycles so they can sell them to peasants. A peasant who works cannot stand in line for 2 days. I believe that bicycles should be for workers, for those who need them. You can see those kids who do not work around there in town standing in line to get a bicycle and sell it to someone who wants it.

[Castro] The matter of the boots, how rubber boots are distributed, if they arrive or not, if bicycles arrive or not, maybe those things do happen. I believe the Ministry of Domestic Trade should, it should [repeats] think about this. I remember the example... [changes thought] Yesterday we were talking about motorcycles. One of the first crazy things that occurred to ... [corrects himself] Not one of the first, not at all, it cannot be the first one, there are many. It occurred to the CTC [Central Organization of Trade Unions] and the Ministry of Domestic Trade.

When socialist countries offered a number of motorcycles for sale per year— 7,000, 8,000, 10,000—I began to worry. I thought this was going to cause accidents, etc. I said: Let's not sell them in the city, let's mainly sell them in the interior of the country. One cannot reject motor vehicles but I said: Let's distribute them mainly in the countryside. It occurred to them to sell them with I don't know what kind of bonus; on a first come, first serve basis. That was a crazy thing to do. Peddlers began to show up everywhere. They stood in line at the store to buy the motorcycles. I found out about this during a trip I made to Holguin. It did not last long because at the first executive committee meeting I immediately said those motorcycles could not be sold in the free market. I said: We are going to provide wheels to the lumpen in this country. So, we decided to establish the—how is it called?—controlled sale of motorcycles. We distribute them by work center. This is how all mortorcycles are sold in this country. It is even forbidden to resell them, and if they are going to be resold, the state has to do it. If not, imagine: Every peddler around there—there are fewer and fewer, but there are still some—or every rich person around there—like the one the comrade mentioned who got 200,000 [not further specified] or I don't know how many, or every thief around there—there are some thieves—would buy a motorcycle and hence be able to make business. So we established the regulated distribution. [end recording]

The work sessions of this third meeting are scheduled to continue this afternoon. More than 1,500 delegates from the entire country are participating.

Views Cooperatives, Prospects

FL2405220888 Havana Television Service in Spanish 0000 GMT 23 May 88

[All speakers other than Fidel Castro identified by caption]

[Text] The third national meeting of agricultural-livestock production cooperatives ended this afternoon with closing remarks by Commander in Chief Fidel Castro. The meeting was held at Havana's Palace of Conventions.

[Begin Castro recording] I see good prospects for agricultural development, good economic prospects for the cooperatives. In general, we should also reach the selection... [corrects himself] the conclusion that there is a great deal to be done in the area of state agriculture. A great deal. We were talking here of paperwork, bureaucracy, excess personnel, a lot of things that cost money and are hindrances. It was good to discuss that here. I believe that the comrades working in agriculture will have to ponder all this.

As I said, this must not be done overnight. It can't be done. However, we have to start looking for maximum efficiency in state agriculture. We must save resources, materials, fuel, human resources. If by working well the cooperative can be profitable, then the state enterprise, by working well, can also be profitable on the basis of some predetermined prices.

I believe the country is going to advance rapidly. I believe we are going to recover the lost years. We are going to make up for it in a few years. I have never felt as much optimism about the prospects for agriculture as I do today. I really am optimistic and I should say so. And this feeling is based on the fact that I have been at many discussions at various times, from the times when people with 3d or 4th grade education managed the farms up to today, when we have thousands and thousands of engineers. And from the times when the cooperatives were just a big mass of land, with a lot of inefficiency everywhere, and a lot of ignorance. Once there was a large, dispersed peasant mass; today, we have a strong cooperative movement. The cooperative movement

should not only be measured by the percentage it produces for the agricultural economy, but on the influence it exerts over the whole peasant sector. The cooperative will make it possible to incorporate that mass of peasants that is still isolated. It contributes ideas, knowledge, initiatives, examples. It can help the state agriculture. The cooperative's efficiency can be a point of reference for the state enterprise. That is, the role the cooperative sector is called to play in the economy is a very large one.

In addition, it consolidates and strengthens the revolution; it makes it politically stronger. Thus, we do not in the least underestimate nor do I believe we are exaggerating when we assess the importance of the cooperative movement. [end recording]

[Reporter Marta Carvajal] We now give you some excerpts from the last day of sessions of the third national meeting on cooperatives.

[Begin recording of Santiago Rojas, from the Pinar del Rio Agricultural-Livestock Cooperative, CPA] Comrades, it was not easy in 1979, when we didn't know what a CPA was, to convince 30 comrades, 16 of whom contributed land—6 caballerias—to give up property we thought we shouldn't give up because we might lose it. Why? Because of tradition, past history. I was at the first, second, fourth congress. I viewed it as the farmer I used to be, exploited all my life. I had to go through a lot of hard times. I picked thousands of tobacco bunches for 4 centavos each in order to support my family.

When I see the progress achieved today, what's the least a non-profitable cooperative can do? I believe that the answer is to struggle, to work hard, to organize, to talk with the peasants a lot. Not to appear as a leader, but as one more member of the cooperatives. [end recording]

[Carvajal] The agreement to change the CPA management structure was also a topic discussed.

[Begin recording] [Castro] I imagine you discussed what the Politburo examined, the Politburo decision about the president of the ANAP [National Association of Small Farmers] and the president of the cooperative? Was that made clear?

[Orlando Lugo Fonte, ANAP president] Yes, Commander. I can tell you that we have explained the Politburo decision to all the ANAP cadres in the provinces and the municipalities. We also met with them and explained the Politburo accord, the structure, to all the comrades here.

All the comrades—at least based on their remarks—said they had understood it all very well.

[Castro] Of course. The comrades have increasing administrative loads. The cooperatives are increasingly complex. Have they understood that it is practically impossible to take care of the two jobs at the same time?

[Lugo Fonte] They have.

[Castro] It is political work and administrative work involving technical management. Have they also understood that our interest is in having the more experienced cadres remain at the head of the cooperatives?

[Lugo Fonte] We have brought it up with them.

[Castro] All that, as well.

[Lugo Fonte] Yes. On this subject, we might perhaps listen to two views—from Paquito [nickname for Francisco], Elias. The comrade from Ciego de Avila is asking for the floor.

[Suarez] Francisco Suarez, from the Cuban-Nordic Countries Friendship CPA in Guira de Melena municipality. This has been widely discussed, both at the provincial and community levels. We feel that it is going to be a great help to the cooperative movement. This possibility had been talked about for many years. In fact, we had met in recent years with Comrades Julian Rizo and [Esteban] Lazo and examined all those problems. We saw that it was the only way to develop the ANAP's political work and the cooperatives' administrative work.

A lot of statements have been made here about the excessive number of meetings, the paperwork, etc. Well, the meetings can be resolved to a large extent because there is going to be an organization in charge of the political aspect and another—in this case, the president of the cooperative and his governing board—in charge of administrative work. This is also a big help and it compensates. It doesn't mean that there are problems within the cooperatives. However, there should indeed be political representatives who will talk with the administration.

[Castro] It is not so much that the political work, or at least not that of the ANAP, will compensate for that of the cooperatives. The objective is to avoid having the president of the cooperative, who has so much work and responsibility, also getting involved with political issues. That was fine when the cooperatives had only 10 or 12 people. However, with cooperatives becoming stronger institutions that require a higher level of organization, technology, and efficiency, there's no doubt that the cooperative administrator can no longer be in charge of political problems, or, rather, more than political problems, because it's not a matter of party work. There is also the young people. There are secretaries of nuclei. We can't say it is union work because the cooperative members are the owners of the cooperative. They own the means of production. So, it's more like part social and part political work. There's the work with the peasants, to convince them, to persuade them. That has to become the ANAP's work in part. Otherwise, the ANAP would disappear. The ANAP should not disappear because it will continue to have a lot of work to do as a mass organization. The ANAP is the peasants' mass organization.

This doesn't mean that the ANAP is going to do the party's work. Just as a party nucleus exists and poses no problem, just as a youth nucleus exists and poses no problem—on the contrary, they are the means to unite and support— the ANAP's presence need not be a problem in any way. It is also a means to unite and support. In addition, I believe it must be made very clear that the authority of the cooperative's president must be unquestioned. [end recording]

[Carvajal] The commander in chief also spoke of the importance of the cooperative movement for the country's economic development.

[Begin Castro recording] We want the individual peasants to come together in order to apply technology—machinery, irrigation systems. You know that an effort has been made in Havana to concentrate people in one area. When you are going to build a canal, it's impossible to do it when you don't know how many people are affected. You can't use the combine, the plane, the technology. Everything is rendered more difficult. Social services are more difficult. It's not possible to take child care centers to the peasants who live in isolated spots. You can't take schools to them. Not even family doctors or anything else—electricity, water, recreation, anyything. There really can't be progress in our countryside if the peasants don't organize. [end recording]

Dominican Republic

Official on New Air Force, Police Chiefs

FL2405213388 Santo Domingo Radio Mil Network in Spanish 1600 GMT 24 May 88

[Excerrpt] Lieutenant General Antonio Imbert Barreras has said that the replacement of the Dominican Air Force and National Police chiefs is routine.

Speaking to journalists at the Government Palace, the Armed Forces secretary said that President Joaquin Balaguer has a right to make changes in the military cadres.

Imbert Barreras was asked about the truth of rumors to the effect the Air Force and National Police chiefs were removed because of their extensive ties with the chief of the Armed Forces.

[Begin Imbert Barreras recording] [Words indistinct] That decision was made by the president of the Republic and I'm not going to question his decisions. He is the commander, the chief of the Dominican Armed Forces. [Words indistinct] I comply to the letter with every order he gives me. [end recording]

The Armed Forces secretary reiterated that the military is subordinate to civilian power. He said that under no circumstances would he question an order coming from President Balaguer. [passage omitted including indistinct portion]

New National Police Chief on Drug Trafficking

FL2405165688 Santo Domingo Radio Mil Network in Spanish 1600 GMT 24 May 88

[Passages within quotation marks recorded]

[Text] The new [national] police chief today announced increased patrols in Santo Domingo to control crime.

During a press conference in his office, Major General Nelson Jose Morillo Rodriguez said that he will be firm in the struggle against drug trafficking. The new police chief said that he will adopt the necessary measures to confront these criminal activities.

[Morillo Rodriguez] "We are willing to carry out a strong fight against drug trafficking. We will act against drug trafficking. This is one of our missions."

The police chief also spoke on respect for human rights.

[Morillo Rodriguez] "We will be very respectful of human rights. That is one of our mottos. We will pay much attention to human rights."

Comments on Police Misconduct

FL2405203388 Santo Domingo Radio Mil Network in Spanish 1600 GMT 24 May 88

[Text] The national police chief today warned that he will act firmly against agents involved in (?criminal) activities.

Major General Nelson Jose Morillo Rodriguez said that the policeman who crosses the limits established by the department will be sanctioned and he will be made an example.

Morillo Rodriguez spoke to journalists during a brief press conference in his office. He was appointed national police chief, replacing Major General Fernando Aristides Sanchez Aybar.

Central Bank Governor Saladin Resigns

FL2005121688 Santo Domingo Radio Mil Network in Spanish 1122 GMT 20 May 88

[Excerpts] Roberto Saladin, who replaced Luis Julian Perez as Central Bank Governor, has also resigned because of the intense pressure. Saladin's remarks were carried over television. [Words indistinct] when he was appointed to the most important financial position in the country.

His moderate economic analysis and formulas did not allow him to successfully apply a state economic policy. [passage omitted]

Saladin chose perhaps the most involved economic direction in existence.

We all know that the dollar rate is the worst enemy of bank governors and of U.S. income. [words indistinct]

Criticisms poured over [words indistinct] but the worst were directed at the Central Bank Governor.

Saladin was the second bank governor appointed in less than 2 years, which demonstrates how difficult this position is. His disagreement with Eng Guillermo Caram [technical secretary of the Presidency] could have been the breaking point. Saladin, like his predecessor, [words indistinct] which does not allow him to fulfill his responsibilities. He also says he does not like the polemics because he is a peaceful man, not political. This is in clear reference to his differences with the technical secretary of the presidency.

He is a serious, honest man who wants to help his country but he was not able to control the pressure from his opponents, who now will decide who will be the new Central Bank governor.

Reportedly Reverses Decision

FL2005175588 Santo Domingo Radio Mil Network in Spanish 1720 GMT 20 May 88

[Text] Dr Roberto Saladin has reportedly withdrawn his resignation as governor of the Central Bank, according to sources at the National Palace. The sources, which refused to be identified, said that Saladin had decided to remain on the job after talking to President Joaquin Balaguer.

Dr Saladin had resigned, alleging it was strictly on the grounds of ill health. However, broad sectors of the country have said that Saladin's resignation was due to differences of opinion over the way the country's monetary policy was being conducted. Dr Saladin and Eng Guillermo Caram, technical secretary of the presidency, recently engaged in a heated public argument, and President Balaguer had to call both in for a private meeting.

Groups Charge Blacks Rounded Up; 50 Arrested

FL2005182088 Santo Domingo Radio Mil Network in Spanish 1600 GMT 20 May 88

[Text] Tamayo—Members of the Army and field guards working for the State Sugar Council have resumed hunting down blacks living in towns near Tamayo. This was reported to correspondent Tomas Aquino Mendez by the (Manuel de Jesus Galvan) Club, Christian Unity, the sugarcane cutters trade union, and the Christian community of Tamayo.

The groups charge that the soldiers and guards, acting on instructions from former militaryman (Bombero Peno), are carrying out the raid against all blacks, whether or not they are Haitians. As a result of the operation, some 50 people have been arrested in the past few hours and are being held in the jail of Batey No 6 in Tamayo. They will be taken from there to the sugar mills in the eastern [as heard] part of the country.

The groups condemn the soldiers' actions because most of those detained are young students and agricultural day workers employed by various farms in the southwest area. They further charge that the soldiers use violence to illegally enter homes where they suspect blacks live, arresting them indiscriminately. An individual known as Cabrerita is also involved in the roundups. He is a [word indistinct] labor leader notorious for his activities in hunting blacks.

Energy Supply 'Critical'; Outages Continue

FL2405194388 Santo Domingo Radio Mil Network in Spanish 1600 GMT 24 May 88

[Text] The energy deficit today went up to 225,000 kw per hour. This means that power outages have increased and the situation could worsen even more within the next few hours.

Sources from the Dominican Electricity Corporation told the newsroom of Radio Mil Informando that four plants are out of service because of a lack of fuel.

Even though the (Etado) No 1 plant has become operational, the supply of energy continues to be critical. Of the 61 circuits in the capital, 32 are not incorporated into the electricity network.

Agronomists, Technicians Begin Work Stoppage

FL2005184788 Santo Domingo Radio Mil Network in Spanish 1600 GMT 20 May 88

[Text] Agronomists and agricultural technicians employed by government agencies began a 24-hour work stoppage today in demand of a salary increase. The stoppage was ordered by the National Association of Agrarian Experts, ANPA, which also demands medical insurance for its members.

ANPA says that the 24-hour stoppage is one of the actions they have planned to make the government give in to their demands. They also demand housing and want the government to clear lands in the northeast region for cultivation.

ANPA is asking the government to invest in production. It has criticized the government for spending large amounts of resources on a program to build non-priority projects while, in its view, neglecting food production.

Haiti

Social Agencies Get Single Board of Directors

FL1705211188 Port-au-Prince Radio Nationale in French 0100 GMT 17 May 88

[Text] The Ministry of Labor, Social Affairs, Social Security, Status of Women, Youth, and Housing announces the official formation of a single, 9-member board of directors which, for the next 3 years, will be in charge of administering the following two governmental social security agencies:

ONA, the National Old Age Insurance Office [Office Nationale Assurance Viellesse], and Ofatma, the Work Accident, Illness, and Maternity Insurance Office [Office d'Assurance Accidents du Travail, Maladie, et Maternite]. The board's 3-year term is renewable.

The composition of this tripartite board of directors is as follows:

For the government: L. Arnold Guerrier, director general of the Ministry of Labor, Social Affairs, Social Security, Status of Women, Youth, and Housing; (Laurent Abdel Courtier), representative of the Ministry of Finance, Economic Affairs, and Civil Service; and (Sylvio Gabriel Albert), representative of the Ministry of Public Health and Population.

For the employers: (Serge Cuvilly), Maurice Lafortune, and Raoul Merove-Pierre.

For the union sector: (Jean-Claude Lebrun), Daceus Louisius, and (Pierre Philistin).

The members of the board, who do not draw salaries, were designated by the three sectors mentioned and their names then submitted for ratification by the Haitian Senate, before the publication in [the official gazette] LE MONITEUR of the presidential decree conferring legal status on this board.

ONA and Ofatma were formerly each headed by its own board of directors. This is no longer the case. Nevertheless, the day-to-day running of these two social security agencies will still be handled by two different general directors. The members of this single board of directors of the two social security agencies will take place any time now. [sentence as heard]

Jamaica

Transportation Minister on Drug Smuggling

FL2305182088 Bonaire Trans World Radio in English 1130 GMT 23 May 88

[Text] Jamaican transportation minister, Pearnel Charles, says illegal drug shipments on Air Jamaica have increased. He issued a statement on Friday calling on airport workers to protect their jobs and the island's good name. He also warned that Air Jamaica could loose its license to operate in the United States and that planes could be seized if drug smuggling continues.

New Agreement on Economic Solidarity Pact

PA2305175888 Mexico City XEW Television Network in Spanish 1300 GMT 23 May 88

[Text] The Economic Solidarity Pact will continue in effect during the months of June, July, and August, according to the new agreement signed last night by the federal government and the labor, peasant, and business sectors. The pact establishes that during the next quarter, there will be no increases in the minimum wage or prices subject to control. The government will not raise prices of its goods and services, and the peso-dollar exchange rate will remain fixed. The businessmen promised to reduce the prices of their products as much as possible.

[Begin Labor Secretary Arsenio Farell recording] 1. The federal government will not increase the prices of the goods and services produced by the public sector during June, July, and August.

2. Financial authorities will maintain the fixed dollar exchange rate.

3. The labor and business sectors have agreed to not request any minimum wage revisions during June, July, and August. The current minimum salaries will remain at their current levels.

4. Therefore, the Secretariat of Commerce and Industrial Development will not authorize any increases in the prices of goods and services subject to control during June, July, and August.

5. For the same reasons, the prices of products subject to registration by the same secretariat should not be increased during June, July, and August.

6. The business sector, acting with the spirit that led to the signing of the pact, considers that businesses that are able to should decrease prices to increase the purchasing power of salaries.

7. Adjustments to guaranteed prices will be carried out in accordance with the demands of the farming calendar and on the Economic Solidarity Pact's terms. The labor, peasant, and business sectors and the federal government believe that it is essential to continue the follow-up and agreement efforts to consolidate the progress made, at least until President Miguel de la Madrid Hurtado's term ends. [end recording]

During the meeting at Los Pinos, it was pointed out that the reduction in inflation has been very significant and that price increases in May will be approximately 2 percent. President Miguel de la Madrid headed the meeting and signed as a witness of honor.

[Begin De la Madrid recording] I believe, gentlemen, that this experiment has basically yielded favorable results. I am aware that some isolated individuals and businesses have not followed the guidelines established by the majorities. In such cases, the government will act within its legal limitations with regard to the issue of controlled prices subject to registration.

The government will also be alert to the behavior of the various economic factors in order to contribute to the achievement of the pact's goals. I do not believe the Mexican people can claim victory in the struggle against inflation until levels comparable to those of the country's business partners are reached.

Furthermore, we should maintain such an inflation rate for several months; we are not trying to achieve the goal for only a single month. Our isolation [as heard] will not be defeated until we strengthen this trend over a period of several months and promote recovery, growth, employment, and the fulfillment of the commitments of social justice within a climate of stability. [end recording]

Salinas de Gortari on Foreign Policy

PA2105184688 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 20 May 88

[Report by Javier Alatorre from Taxco, Guerrero, with the campaign of PRI presidential candidate Carlos Salinas de Gortari]

[Text] The PRI presidential candidate said a few moments ago that the foreign policy of the administration he plans to head will be faithful to the principles of nonintervention, self-determination, the peaceful resolution of controversies, and cooperation for peace. Heading a meeting of the international affairs commission to analyze relations between Mexico and the other Latin American nations, Salinas de Gortari said that Central America is a priority area for Mexico in matters of national security for geographical, political, and economic reasons.

In this regard, he reaffirmed Mexico's desire to support a peaceful and politically negotiated solution for the region's crisis. He added that he plans to support every initiative that promotes political stability in the region, without which economic growth and social development are impossible. Salinas de Gortari rejected the interference of any country in the destiny and internal conflicts of our nations.

Concerning relations with the United States, Salinas de Gortari said that the areas of difficulties in trade, migratory workers, and drug trafficking contrast with the

millions of border contacts that occur every year, making relations between the two countries one of the most unusual international relationships in the world. The PRI presidential candidate said that it is indispensable for the two nations to strengthen their ties, expand commercial activities, and deepen cultural exchanges. He said that it is a question of respecting differences and of taking advantage of and deepening an understanding of areas of ag.eement.

He committed himself to continuing the struggle that Mexico and the United States are waging against drug trafficking. Salinas de Gortari said that Mexico is doing its part and will continue to do so for reasons of national security and public health. Concerning the situation of the Mexican workers without documentation in the United States, he reaffirmed his overwhelming desire for their human and labor rights to be respected. We will not permit the application of legislative measures in another country to be used as a pretext to violate the rights and dignity of our compatriots.

On Latin America, Salinas said that it is important to promote greater cooperation and integration among our nations and to support the mechanisms that have already been established for commercial, financial, cultural, and political negotiations and dialogue. Salinas de Gortari reaffirmed his conviction that Latin America should be united for historic and political reasons and desires.

Leaders of Capital's Judicial Police Dismissed

FL2405220388 Mexico City NOTIMEX in Spanish 2257 GMT 23 May 88

[Excerpts] Mexico City, 23 May (NOTIMEX)—Jesus Miyazawa Alvarez, chief of Mexico City's Judicial Police [JP], and nine deputy chiefs and commanders were dismissed today as a result of the death of Pablo Estanislao Aguilar Alcala, commander of the State of Mex.:o's JP, in the facilities of Mexico City's JP.

The Federal District's attorney general named Jorge Obrador Capellini as new director of the Mexico City JP. Until now Obrador Capellini headed the General Directorate of Procedural Control of the Federal District Attorney General's Office.

The following were dismissed in addition to Miyazawa Alvarez: Deputy Chiefs Rosalino Ramirez Faz, Luis Aranda Zorrivas, Ignacio Flores Pena, Antonio Botello Vizcarra, and Zoilo Lopez Acuna, and Commanders Jesus Terron Serrano, Sergio Martinez Robles, Pedro Rosales Quiroz, and Roberto Huerta Garcia.

Federal District Attorney General Sales Gasque said the capital's JP leadership will be closely investigated so that the best elements can be appointed to replace the deputy chiefs and commanders who were dismissed from their posts. [passage omitted]

Pablo Estanislao Aguilar, commander of the JP of the State of Mexico, was found dead last Saturday at the facilities of the capital's JP. He was killed after being brutally tortured presumably in revenge by active elements of Mexico City's JP.

Attorney General Sales Gasque said the dismissal of the top leadership of the JP does not exonerate them from the responsibility which could result from the homicide. [passage omitted]

Bank of Mexico Announces Lower Interest Rates

PA2405215288 Mexico City EXCELSIOR in Spanish 23 May 88 pp 1, 10

[Text] Last night the Bank of Mexico reported that interest rates on short- and long-term deposits will drop beginning today. For deposits of 30 to 85 days, the interest rate will be lowered from 43.30 to 38.55 percent; for deposits of 720 to 725 days, from 37.75 to 28.05 percent; for deposits of 1 month, from 50.00 to 43.00 percent; and for deposits of 12 months, from 46.00 to 34.95 percent.

The Bank of Mexico had announced in a press communique that it considered it necessary to lower interest rates.

For deposits of 90 to 175 days, the interest rate will drop from 40.90 to 34.55 percent; for deposits of 180 to 265 days, from 39.50 to 32.25 percent; for deposits of 270 to 355 days, from 38.80 to 30.75 percent; and for deposits of 360 to 535 days, from 38.10 to 29.05 percent.

For deposits of 540 to 715 days, the rate will drop from 37.75 to 28.05 percent.

For 3-month deposits, the rate will drop from 44.75 to 39.75 percent; for 6-month deposits, from 44.30 to 36.90 percent; and for 9-month deposits, from 44.75 to 35.55 percent.

The Bank of Mexico has also reported that interest rates for other types of financial instruments will remain unchanged.

Briefs

Oil Revenues Drop

According to a report issued by Pemex, Mexico failed to receive $340 million in oil revenues during the first quarter of 1988 because of the drop in oil prices on the international market. The price obtained for Mexican oil was $13.50 per barrel, $1.50 less than the price used by the Programming and Budget Secretariat to estimate revenues during this period. [Summary] [*PA2405183588 Mexico City XEW Television Network in Spanish 1300 GMT 24 May 88*]

Antidrug Campaign Statistics

Mexico City, 18 May (NOTIMEX)—Today the Attorney General's Technical and Criminal Supervision Office reported that over 2.5 tons of pure cocaine have been seized and approximately 4,000 suspected drug traffickers have been detained this year. It added that 2,858 kg of pure cocaine were confiscated in operations carried out throughout the entire country between 1 January and 19 May in line with the permanent antidrug campaign. The campaign also made possible the seizure of 142,000 kg of dry packed marijuana and 94 kg of opioid poppy derivates in joint operations conducted by the Mexican Army and Federal Judicial Police. The report says over 20,000 marijuana and poppy fields were destroyed during the same period. They covered almost 2,000 hectares in various states of Mexico. In these actions, 4,552 suspected drug traffickers were detained and brought before federal penal judges, resulting in 2,005 prosecutions. Also, 1,638 weapons of various calibers, 855 vehicles, 14 aircraft, and 10 vessels were seized from the drug smugglers. Five clandestine laboratories, where mainly opium was processed into heroin and morphine, were dismantled. [Text] [*FL1905160088 Mexico City NOTIMEX in Spanish 2219 GMT 18 May 88*]

El Salvador

Government, Parties Reject Rebel Talks Proposal

PA2505034388 Paris AFP in Spanish 0225 GMT 25 May 88

[Text] San Salvador, 24 May (AFP)—Today President Jose Napoleon Duarte's government and three majority political parties in El Salvador rejected the armed opposition's proposal for a dialogue on 30-31 May, but agreed on the need for a negotiated solution to the conflict, according to opposition parliamentary sources.

Duarte held a 3-hour meeting on Tuesday with leaders of the National Republican Alliance (ARENA), the National Conciliation Party (PCN), and the government's Christian Democratic Party (PDC).

The meeting was also attended by a delegation of the top-level military command, led by Defense Minister General Eugenio Vides.

Following an analysis of the FMLN-FDR proposal, the political leaders agreed that "this is not the appropriate time to talk with the rebel fronts, given the problems in seating the Legislative Assembly," PCN representative Rafael Moran said.

A dispute between the PDC and ARENA concerning the election of a deputy has precluded the appointment of a congress directorate, which should have been done on 1 May.

The government-guerrilla talks to end the hard and bloody Salvadoran civil war—which has lasted 8 years—reached a stalemate 7 months ago.

Nevertheless, the FMLN-FDR tried to overcome the stalemate by presenting a new dialogue proposal on 12 May, urging the government, the Armed Forces, and the three parties represented in the congress to participate in the dialogue.

Guatemala

Government Warns Media on Inciting Violence

PA2405180088 Panama City ACAN in Spanish 1710 GMT 24 May 88

[Excerpts] Guatemala City, 24 May (ACAN-EFE)—Invoking respect for human rights, today Vinicio Cerezo's government threatened the media with sanctions, even closure, if they incite violence.

The warning note released today by the Public Affairs Secretariat of the Presidency, signed by Claudia Arenas, is the government's reaction to the "generalized repudiation" that resulted following the closure of Channel 3 Television on 19 May.

The document orders the media "to refrain from publishing information and making commentaries that could unleash violence and, instead, to contribute to protecting the country's laws, peace, and order." [passage omitted]

Today the opposition newspaper EL GRAFICO stated that the government "is clearly intimidating and warning the media to refrain from reporting on the mismanagement of the Christian Democratic regime." [passage omitted]

Recently President Cerezo said that the government "will offer protection to the media and reporters being threatened by groups trying to destabilize the regime."

EL GRAFICO asks: Who, then, will protect us from the government? [passage omitted]

Rebels Sustain 4 Casualties in Quiche

PA2505021088 Guatemala City PRENSA LIBRE in Spanish 24 May 88 p 21

[Text] The Guatemalan Army inflicted four casualties on terrorists in Quiche Department when a military patrol caught them by surprise in Nebaj.

According to a bulletin from the Army Public Relations Department, an Army patrol clashed with the terrorists at 0500 on 21 May, inflicting the four casualties.

The following weapons were confiscated from the dead terrorists: 3 M-1 rifles with 15 magazines; 1 M-14 rifle with its equipment; and grenades.

Honduras

U.S. Policies, Drug Problem, Debt Viewed

PA2405195588 San Pedro Sula TIEMPO in Spanish 24 May 88 p 6

[Editorial: "General Crisis and Drug Trafficking"]

[Text] There can be no doubt that every natural and social phenomenon is caused by some factor. It is difficult, however, to pinpoint those factors.

The laws of social order are different from cosmic laws. The latter are inexorably fulfilled, without man's participation, but social laws do not manifest themselves without human activity.

Slavery did not disappear without the slaves' heroic struggle. The monarchic-feudal system disappeared because of the republicans' struggle. Remember the French revolution we Hondurans praise when we sing our national anthem.

Let these words serve as an introduction to a discussion of the crisis the nations that comprise the American Continent, including the United States, are currently undergoing.

The U.S. Government's failure to acknowledge international law, its adoption of aggressive policies worldwide, and its open intervention in Central America to destabilize some governments and protect and strengthen others that are to its liking have causal origins.

This must also happen with the scourge of drug trafficking, the persecution of which has our authorities more than out of line and above constitutional guarantees and rights.

The U.S. crisis, despite that nation's vitality, seems to have its origins in the Third World countries' increasing objection to domination and exploitation, which have created a colossal foreign debt the Latin American countries cannot afford to pay.

This astronomical debt has Latin America's development paralyzed. There is no surplus available for anything besides down payments on the interest and servicing of those loans.

The entire weight of the crisis has thus fallen on the mid-continental nations, and resources are accumulated for the large-scale production of weapons for widespread destruction.

The superexploited countries cannot resolve their economic and social problems because their dominant classes have been impoverished, some to the point of indigence. These countries only manage to eke out a living with the subsidies that are granted to the most docile. Those who acquire a certain degree of development live, but they do not prosper.

The results of this policy are obvious. The impoverished bourgeoisie are pressured by the guerrillas. Meanwhile, others in positions of power, desirous of instant wealth, cannot resist the temptation of joining the drug-trafficking clan.

The sale of drugs is very ancient, but it had never reached the heights it has today, with the United States its largest consumer market in the world.

I do not understand why the United States does not control drug trafficking in its own territory, where there must be large consortiums dedicated to the marketing and distribution of the product.

The battle against drug trafficking must be waged with the same intensity against the cultivators and exporters of drugs as against the people who market and distribute the product. When pressure is exerted with greater emphasis and harshness against the producing and exporting countries, it leaves the impression that the action is more one of politics than of social prophylaxis.

The drug trafficking problem is very complex and will require complex solutions. However, among the possible solutions is a fair arrangement of the foreign debt, for example, which would allow each country to restructure its economy, overcome its poverty, and gain the capacity to control and eliminate its own criminals.

Nicaragua

President Ortega Discusses Peace Talks

PA2505021988 Managua Domestic Service in Spanish 0029 GMT 25 May 88

[News conference held by President Daniel Ortega with unidentified reporters after meeting with the visiting Mongolian foreign minister at the Foreign Ministry in Managua on 24 May—live or recorded]

[Text] [Reporter] What is the latest regarding the meeting with the contra leadership?

[Ortega] We reiterate our position: The meeting must be held in Managua. We have not received a response from the other side so far. We also reiterate our willingness that humanitarian aid be delivered through the Red Cross or an OAS organization. We also are still willing to extend the cease-fire from 1 June to 1 July.

I think this is a very important element, because the Nicaraguan people must consider in this case the Nicaraguan Government's willingness to continue the cease-fire to prevent further bloodshed by Nicaraguans in the battlefields while a peaceful solution is found to this conflict, which has been provoked by the United States. If this unilateral decision by the Nicaraguan Government to declare a cease-fire from 1 June to 1 July is not reciprocated by the contras, the people will see that it is the contras and the United States who are intent on continuing to shed the Nicaraguan people's blood. The people realize that the Nicaraguan Government has been making and will continue to make the utmost efforts to avert this bloodshed, without of course sacrificing the fundamental interests of the revolutionary process.

[Reporter] How do you view the fact that the contra leadership has met again with Elliott Abrams and George Shultz?

[Ortega] We are firmly convinced that the U.S. Administration created the counterrevolution. The moment the Sapoa agreement was reached, the counterrevolution escaped somewhat from the U.S. Administration's control. The contras made a decision there independently of the U.S. Administration, which displeased the Reagan administration. Now the Reagan administration is trying to regain control of the counterrevolution by supporting the most warmongering, bellicose sectors and the most renowned criminals, such as former Somozist guardsmen like Bermudez. They want to harden positions to end this negotiating process and to cause another military confrontation.

[Reporter] Commander, what about the fact that the OAS secretary general is not coming to Managua?

[Ortega] He is ready to come to Nicaragua as soon as it is confirmed that the meeting will be held in Managua. But he cannot be making trips and efforts if the meeting will not be held in Managua and if the contras cannot confirm the meeting here in Managua.

[Reporter] Then you insist on meeting in Managua?

[Ortega] Yes, we insist on meeting in Managua, and the OAS secretary general is ready to come to Managua the moment the contra leadership agrees to come to Managua.

[Reporter] President Ortega, yesterday Somozist Colonel Enrique Bermudez said he was not interested in extending the truce because that only serves to strengthen Managua's hand.

[Ortega] Bermudez is comfortable in Honduras. He is not risking his own neck. We hope the contras who are sent to operate in Nicaraguan territory will agree to extending the cease-fire and will not be influenced by Bermudez' warmongering, bellicose policy, which is the same as Somoza's and as the U.S. Administration's.

[Reporter] President Ortega, I have a question. The FDN contras once said they would like to have their troops join the EPS. What is the government's position on that?

[Ortega] That is not under discussion, because the EPS is a compact, homogenous force, composed of people with a patriotic, nationalist conscience. That is not under discussion here. We must consider, first of all, that the contras' commanders and mid-level officers are former Somozist Guard members. The nature of this force does not fit in with an army that emerged after the revolutionary triumph, an army that emerged with the revolution.

The rank-and-file of the contras have been peasants who became involved in counterrevolutionary activities. Some of these former counterrevolutionaries, such as those in the Atlantic region, are now participating in the country's defense. In this sense, therefore, the peasant who rejoins the country's normal life can participate in the country's defense.

[Reporter] Mr President, as you said yesterday, the Sapoa agreements stipulate that the top-level meetings be held in Managua. Do you think the government could hold these talks in Sapoa to be flexible?

[Ortega] This would affect the entire negotiating process. Returning to Sapoa represents a political step backward. In addition, there are physical and logistical problems. For instance, the witnesses would have to go there. This would entail a greater effort. Most importantly, such a place has a political implication. We have progressed as far as meeting in Managua. Meeting in Sapoa again would be regressing. It would mean taking the talks to the breaking point. It would mean losing all the ground we have gained since Sapoa—even more since the Dominican Republic, where the contacts started. We advanced to Costa Rica, Guatemala, Sapoa, and then Managua. This represents progress in the negotiations. This progress is expressed not only in indirect and direct talks, but in physical terms as well. We are getting nearer to the capital. To leave Managua is to go back, politically speaking.

[Reporter] What is the meaning, in lives and property, of these 60 days of truce?

[Ortega] It has meant that hundreds of Nicaraguans have been spared. Nicaraguans who would have died defending the revolutionary process, as well as Nicaraguans who are engaged in the counterrevolutionary actions and who die attacking the people, attacking the cooperatives, attacking the peasants, and attacking the national interests—all of them have been spared. We have also spared the mourning of the mothers and the relatives of all those Nicaraguans who would have died. We have spared the loss of lives of children, women, and the elderly, who are victims of these military clashes provoked by the counterrevolution's terrorist activity. We therefore must also assess this, as well as the possibility of the economy developing in the war zones. In other words, the peasant who lives in a war zone has had the time to work his land and to move about with security in that zone, without the risk, for example, of being blown up by a mine laid by the counterrevolution or being the victim of a counterrevolutionary ambush. We cannot but denounce the cases of kidnappings and isolated attacks. To date the counterrevolution has not met its obligation to release the kidnapped. It made this promise in front of witnesses in the other meetings.

[Reporter] A petition has been circulating in the U.S. Congress for $1 million for the self-styled civilian groups in the country, including the communications media and trade unions. What is your opinion of that aid, which is in addition to the $3 million that was earmarked for the verification of the truce and the $20 million that was said to have been given to the COSEP [Higher Council of Private Enterprise] and LA PRENSA?

[Ortega] Yes, there we see the clearly interventionist policy of the United States in Nicaragua. This policy is evident not only in the military field, but also through financing for political groups opposed to the revolution, which will carry out slanderous campaigns against the revolutionary process, through political opposition groups, LA PRENSA and the right-wing media, and the Episcopal Conference, seeking pastoral statements that would join this campaign of disinformation and slander against the revolution. This U.S. Government policy is not new. It violates national interests. We consider it unacceptable. There is talk of $20 million that has been delivered. We are investigating this. This is not right; it is against the law. If someone is found to be receiving such funds, the law will be applied against them, because they are violating the country's laws and are playing the game of a foreign power that is attacking the nation's sovereignty and integrity.

This proposal to give $1 million to political groups, such as LA PRENSA, the opposition, and the church, moves along the same line, that is, increasing the financing of these groups so they can continue the destabilization process. The government, of course, will take every necessary measure. We have already said we will not permit financing of any opposition groups in our country.

[Reporter] Is it possible that the talks will not be held tomorrow? What would happen if such a case happens?

[Ortega] We cannot yet say anything final. We expect this meeting to be held. We expect the contras to come to Managua as they have already done twice. There is no reason for them not to come to Managua and continue the talks.

[Reporter] Mr President, a contra source reportedly said in Costa Rica today that they will come to Sapoa at approximately 1045 tomorrow. What will happen if those people come to Sapoa or enter the territory?

[Ortega] They can get as far as Penas Blancas. They can enter the national territory, of course, but the meeting will not be held there. Should they do this, it would be clear they are being ridiculous, because it does not make any sense for them to show up at Penas Blancas. The meeting will not be held there. The Nicaraguan delegation will not go to Sapoa. The Nicaraguan delegation is here in Managua and is ready to initiate the talks tomorrow at the time we deem proper. But it will be here in Managua.

[Reporter] Commander, moving on to another topic. What is your assessment of the visit by the comrade from the People's Republic of Mongolia?

[Ortega] This is a very important visit, because we must take into consideration the geographical distance between the two countries. Despite this, we have the Mongolian foreign minister visiting here. He has expressed the solidarity and the friendly relations between his people and governing party and the Nicaraguan party and people. The foreign minister and I recalled my visit to Mongolia in 1983, when we got directly in touch with the people and observed their constant effort to eradicate backwardness and illiteracy, improve their material conditions, and strengthen their independence. We had a very rich experience. The development of this country, of which we were not familiar with because of the distance, is impressive. We value highly the importance of this development and effort, which has not been easy because of Mongolia's geographical isolation. They have expressed their solidarity with Nicaragua, not only politically, but materially as well. They have cooperated with us by sending hides to our country. These hides have been processed for the benefit of the Nicaraguan people. We take this opportunity to thank the Mongolian people and party and confirm the ties of friendship and solidarity between these two countries.

Ferrey Outlines RN Position on Meeting Sites

PA2405152788 Managua Radio Corporacion in Spanish 0400 GMT 24 May 88

["Message" sent to Victor Hugo Tinoco, vice minister of foreign affairs, from Roberto Ferrey, secretary of the Nicaraguan Resistance (RN) Directorate, on 22 May]

[Text] With regard to your facsimile dated 20 May, but not received until today, 22 May, I inform you of the following:

On 30 April, at the end of the second round of talks in Managua, [chief government delegate] Humberto Ortega himself proposed Sapoa, San Juan del Sur, and Managua as possible meeting sites. Sapoa was endorsed by your U.S. legal adviser, who said that Sapoa is almost a mecca for these negotiations. Therefore, we are surprised to hear the idea of holding the next meetings in Sapoa called a step backward in what you describe as the progress made.

2. [No No. 1 as heard] On the same day, 30 April, the Nicaraguan Resistance stated that actions against striking workers, censorship, and the suspension of certain radio newscasts are detrimental to the negotiating process because they are clear and express violations of the Sapoa agreements. This feeling was formalized in a charge presented to the two members of the Verification Commission created by said agreements. We understand that the Verification Commission has asked you to present a report in this regard.

3. Censorship has increased recently and, for the second time, Radio Catolica's "Iglesia" newscast has been ordered closed. Such events and circumstances continue to harm the negotiating process and make Managua an unsuitable place for this third round of discussions. Therefore, unless the censorship is lifted, radio newscasts are resumed, the RN and internal political opposition are allowed to meet at a place of their choice, and the other conditions outlined in our 17 May facsimile are met, the RN reaffirms its wish to hold the next round of talks in Sapoa, the town that your group proposed for this purpose.

4. As for the nonrealization of the prior, private meeting initially scheduled to be held tomorrow, it should be noted that at no time did we promise to give an answer during that meeting to what you describe as new conciliatory adjustments that you presented to us in Miami on Monday, 17 May. Those adjustments basically make no significant contribution to the resolution of the impasse created by your side, which has prevented the delivery of humanitarian aid to RN troops.

RN's Cesar on Upcoming Talks With Government

PA2505002988 Managua LA PRENSA in Spanish 23 May 88 pp 1, 12

[Interview with Nicaraguan Resistance (RN) Commander Alfredo Cesar, head of the RN delegation to the 25 May meeting with the Nicaraguan Government, by unidentified LA PRENSA reporter—date and place not given]

[Text] Question—Engineer Cesar, the RN Directorate appointed you as the head of the delegation to the upcoming round of negotiations with the Nicaraguan

Government. This is the last meeting before the end of the truce agreed upon in Sapoa. Can you please tell us what the current RN situation is concerning the most recent internal problems the RN has faced?

Cesar—The RN Directorate resolved the problem that arose in its military ranks. Last week, the RN confirmed Commander Enrique Bermudez in his position as chief of the RN army in the northern front and decided to keep the dissident commanders in the organization. We want unity and cohesion to prevail in order to responsibly face the double challenge imposed first by the negotiations with the government and second by the preparation of our military defense in view of the offensive the EPS is planning to launch.

Question—In view of the military offensive you just mentioned, does the RN believe the war will restart after 1 June? What can you tell us about the letter sent to President Ortega by 26 U.S. Democratic congressmen discussing that same issue?

Cesar—The RN does not plan to restart the war, but our troops are in a state of alert because the EPS units are preparing for an attack. This shows us that they want to attack again once the truce is over after 30 May. The group of congressmen who sent the letter to Ortega represent the votes needed to change the U.S. Congress decision on the approval of the military aid for the RN. The congressmen discussed two topics in their letter: If the Nicaraguan Government continues blocking the delivery of the humanitarian aid to the RN forces in Nicaragua, Congress will approve another method of delivery that will not use the Sandinist government to guarantee the delivery; and if the EPS carries out the announced attack, Congress will approve the military aid the RN needs to build a firm defense.

Question—Where and when will the next meeting take place?

Cesar—We already agreed to meet 25-27 May. Concerning the venue of the meeting, the RN has been very clear since the last meeting held in Managua late in April, when we said we will not return to Managua unless the government grants us freedom of movement to meet with the various groups that oppose the regime.

What we are discussing at these negotiations deals with the future of the country. We either carry on with the war, the suffering it represents, and the actions we were forced to conduct because of the lack of freedom and democracy in Nicaragua, or we introduce some changes to end the war and install democracy, freedom, and national reconciliation. Daniel Ortega's government has failed at almost all levels of the country's life. Instead of peace and freedom, we have war and general repression; instead of maintaining normal relations with all the countries of the American Continent so Nicaragua can obtain the loans it needs and maintain better trade relationships, it maintains tense relations with almost all its neighbors and a childish, challenging attitude toward the United States at a time when the Soviet Union maintains close relations with Nicaragua in various topics and areas; and instead of bringing work and economic progress to the country, the government has plunged the country into the worst economic crisis of its history.

The changes that Nicaragua needs to end the war are, therefore, large and radical. It has been thoroughly demonstrated that the Marxist-Leninist revolution in Nicaragua failed and that the only thing that can save our people from its total destruction is the crystal-clear return to the postulates that moved all Nicaraguans against the Somozist dictatorship in 1979: a democratic and nationalistic revolution that would help us overcome all the current problems and fulfill the needs of the Nicaraguan majority. The RN said that if the conditions are not right for meeting in Managua, we will return to Sapoa for the next meeting.

Question—What is your message for the Nicaraguan people a few days before this important meeting?

Cesar—I want the youth, who have no future with the current regime, to be alert to the possible resumption of the war by the FSLN. They must continue avoiding all ways that will force them to participate in a senseless war among brothers. The RN wants to end the war, but only after Nicaraguan youths are no longer persecuted. My first priority is to build a peaceful future with opportunities for the youth, who are the ones who will take the country forward. To the suffering mothers, I want to tell them we will not surrender until all the jails are empty and their children stop dying in the mountains. To the brave workers who demand fair wages, I ask them to continue their protest, because the whole world has its eyes on them. To the agricultural producers, I want them to be ready for a new agricultural cycle and to wait for the results of this meeting, because if the Nicaraguan Government does not yield, the RN will continue exerting the pressure that brought the government to the negotiating table. No government can survive without producing. Finally, to the Nicaraguan people, I want to tell them that their suffering has not been in vain. Let us continue protesting, expressing our disagreement, and exerting pressure until we attain a free and democratic Nicaragua.

Contras Say Internal Disagreements Resolved

PA2405195688 Tegucigalpa EL HERALDO in Spanish 24 May 88 p 30

[Document issued by the "Headquarters of the Resistance Army" on 15 May— published as paid advertisement]

[Text] With patriotic responsibility, we, the undersigned, who comprise the general staff, the Council of Regional Commanders, executive officers, task force commanders, company commanders, and cadres meeting at the command post established somewhere in Nicaragua, have decided the following:

1. Whereas: The principle of the supremacy of civilian authority over the military;

2. Whereas: The 23 April 1988 resolution of the Nicaraguan Resistance [RN] Directorate, which stated that the case should be resolved through institutional channels of the military structure;

3. Whereas: In a meeting on 23 April 1988, the Council of Regional Commanders issued a resolution urging Commanders Tono, Rigoberto, Fernando, and Tigrillo to reflect and to refrain from making public statements and asking them to present their demands to the Legal Office, the general staff, and the Council of Regional Commanders;

4. Whereas: The aforementioned commanders' decision not to respect both resolutions and instead to present their demands through the communications media were actions that harmed our organization's discipline;

5. Whereas: The events that led to the deportation of those commanders are not the result of any action taken or decision made individually or collectively by members of the organization;

Resolve:

1. To support the actions taken and decisions made by Commander General 380 Enrique Bermudez and those that must be taken to maintain unity, cohesion, and morale in the military structure of our organization.

2. To support and to respect the decisions adopted by the general staff to resolve internal problems.

3. To reiterate to Commanders Rigoberto, Tono, Fernando, and Tigrillo that due to their contribution during their years of struggle for the cause of our fatherland's liberation, the doors of our movement remain open to them and to all those who promise to respect the authority and institutional command of our organization.

4. To make known to the Nicaraguan people and to public opinion that our organization is united and that we believe that the disagreements that existed have been resolved.

5. To reiterate our willingness to comply with the Sapoa agreements and our commitment to the Nicaraguan people that the struggle will not end until there is irreversible freedom and democracy in Nicaragua.

We pray to God to guide us and give us the necessary strength to achieve peace and democracy in our fatherland, Nicaragua.

Issued on 15 May 1988

[passage with names and signatures indistinct]

Mongolian Foreign Minister Dugersuren Arrives

PA2405144788 Managua Domestic Service in Spanish 0300 GMT 24 May 88

[Text] Mongolian Foreign Minister Mangalyn Dugersuren has arrived in Managua on an official visit that will end next Wednesday. He will meet with President Daniel Ortega and Foreign Cooperation Minister Henry Ruiz. This is the first time that a high-ranking Mongolian official has visited Managua, the sources reported.

Ortega Congratulates Hungarian Party Official

PA2405224188 Managua Radio Sandino in Spanish 1930 GMT 24 May 88

[Text] Nicaraguan President Daniel Ortega sent a message congratulating Karoly Grosz on the occasion of his appointment as general secretary of the Hungarian Socialist Workers' Party. President Ortega, in his role as coordinator of the FSLN Executive Committee, greeted the new leader, designated at the national party conference that ended recently.

The message states that the Central Committee's decision constitutes a demonstration of his firm and steadfast work in favor of strengthening the party's principles on the domestic and international levels. Ortega expressed his assurance that the relations between the FSLN and Grosz' party, as well as between the governments and peoples of Hungary and Nicaragua, will be developed qualitatively to improve their multifaceted cooperation and search for peace.

Panama

PRD's Escobar on Government's Terms in Talks

PA2505012388 Panama City Telemetro Television in Spanish 2300 GMT 24 May 88

[Text] As long as the United States maintains the pressures against Panama, there can be no solution to the crisis, Romulo Escobar Bethancourt, president of the Democratic Revolutionary Party [PRD], has stated. He said there could be a solution this week if the United States were to accept the national government's terms:

[Begin Escobar recording] In order for the conversations between our two countries to be successful, it requires basically that the United States proceed to end the economic sanctions that were unjustly imposed on the Republic of Panama. It also requires that it withdraw the troops it sent when they declared Panama in a state of emergency and that there be respect for the presidency of Manuel Solis Palma. The negotiations' or conversations' problems are delayed or shortened to the extent that agreements are reached on the points of discrepancy. For example, if the United States were to reach an agreement with Panama on the points we have mentioned, the problem would be ironed out in 5 minutes. Regarding General Noriega's leaving the country, we rejected that

from the very first conversation held on 17 March, when we flatly rejected the slightest suggestion that he had to leave his country. [end recording]

Government Minister Criticizes U.S. Policy

PA2405165988 Panama City CRITICA in Spanish 24 May 88 pp 1, 15

[Unattributed article: "Chiari De Leon Points Out U.S. Relationship With Panama Has Been Selfish"]

[Text] Speaking to Legislative Assembly members yesterday, Government and Justice Minister Rodolfo Chiari De Leon, referring to national problems, said that "whether we like it or not, the United States has considered our country a key strategic element in its superpower policy and, from that viewpoint, U.S. leaders, to a lesser or greater degree, have acted selfishly in their relations with Panama, always placing their interests and ambition for greater world expansion before anything else."

He added that "history persistently shows that each time the United States has had to face some difficulties with regard to its expansionist policy, its conduct has had negative repercussions in Panama."

Chiari De Leon stated that at present it can be proven without much effort that, facing great and deep problems in this region of the continent, President Ronald Reagan's government drafted and implemented in Panama a policy that from the beginning was characterized by more or less veiled pressures and diplomatic, financial, and military manipulations that clearly sought to weaken Panama's political regime.

"As everyone will remember," Minister Chiari said, "the subsequent steps of that policy included political tactics through tendentious disinformation aimed at discrediting, isolating, weakening, and destabilizing the government and national authorities."

"The campaign was unleashed without restraints throughout the world, using the control it exercises throughout the social communications media," the high-ranking official said.

Chiari De Leon said that the United States seeks three objectives in Panama.

1. To decrease, distort, and eventually cancel the advantages Panama obtained in the Torrijos-Carter Treaties.

2. To prolong the operation of its military bases after the year 2000 and to use them for its hegemonic goals in the region.

3. To replace Panama's policy in defense of the country's and the canal's sovereignty and neutrality and the efforts for peace promoted by Panama in the Central American region.

Chiari De Leon said that in view of this situation, Panama has given irrefutable proof of its desire to become a truly free and sovereign country that controls its own destiny and that is ready to be respected by all other states within the international community.

"U.S. policy in Panama has clashed with this desire. That is why, faced with repeated failure, the United States has been forced to implement a new tactic: recruiting those Panamanians who are fooled by false promises and making them serve U.S. interests," the high-ranking official maintained.

Chiari De Leon said: "The Government and Justice Ministry, the Defense Forces, the courts, and in general all the national authorities, faced with the seriousness of the acts carried out, were forced to restore order by laying down the law with the firmness required by the highest national interests and responding to all those insurrectional activities that were carried out to snatch power for unspeakable reasons and that totally ruined the country."

In the reply segment of the questionnaire supplied by the Legislative Assembly, Minister Chiari De Leon said: "There are no political prisoners in Panama. However, some political opposition groups try to describe as political prisoners those people who have violated penal and administrative laws by engaging in activities that they have described as political, but that in reality are clearly defined as crimes or misdemeanors under the Panamanian legal system."

The government and justice minister added that officially he has no knowledge of any case in which a Panamanian politician has been sent into exile during the past year.

As for the legal reasons why certain media remain closed, the high-ranking government official stressed that the "commonly used phrase 'closure of a social communications medium' is not a legal term. That is why this ministry must reply that in Panama there are no closed media."

"Regarding the press, it is public knowledge that there are court orders from the Public Ministry [as published] and backed by the judicial branch connected with pending penal cases; therefore, it is not up to the Government and Justice Ministry to give details of same."

Special Tax Measures for U.S. Companies

PA2505013988 Panama City ACAN in Spanish 2120 GMT 24 May 88

[Text] Panama City, 24 May (ACAN-EFE)—The Panamanian Government has adopted several tax measures to counter President Ronald Reagan's decision to not allow U.S. enterprises in Panama to pay taxes.

Today Ricardo Levy, national revenue director of the Finance and Treasury Ministry, said that Reagan's orders issued in March to U.S. companies in this country "have caused a significant decrease in tax collection."

The U.S. Government's measure also affects payment of income taxes and import duties and compulsory contributions by Panamanian workers who work for these companies and whose contributions are being withheld from them but not sent to the corresponding state organizations.

Levy disclosed that the government "has relieved" the U.S. companies "with specific resolutions of carrying out the withholdings from the salaries of the Panamanian workers." [sentence as received]

In order to carry out the measure, the revenue office ordered the establishment of collection offices in each U.S. enterprise so "the employees will have to pay" the internal revenue, social security contributions, and educational tax to the corresponding officials.

Workers earning $250-$1,000 [time period not specified] must pay the state approximately 15-19 percent of their gross earnings.

The employers' contributions, which are part of the workers' gross salary, must also be included in the workers' total earnings, so they will be deducted by the officials appointed for that.

The revenue office will also appoint withholding agents among the U.S. companies that are in debt, so instead of paying their debts to their creditors, they will pay the National Treasury the taxes they owe the state.

"This is a sovereign disposition of the director general of revenue making use of his legal powers," Levy said when referring to himself.

There are 62-64 U.S. enterprises that would be affected by these new Panamanian measures.

According to Levy, the representatives of the U.S. enterprises that do not follow President Reagan's orders might be faced with 10 years in prison and fines of up to $50,000.

When Levy was asked about a possible refusal by the Panamanian employees who work for the U.S. enterprises to pay their taxes and contributions to the state, the official answered that "the Panamanian people understand perfectly well the aggression and neither accept it nor tolerate it."

He said he had "faith and confidence in the awareness of our people" concerning the U.S. "aggressions."

Levy said he had no details on tax collections so far this year, but he said the impact produced by the Reagan administration measures "has been strong" and that these collections "are substantially less" in comparison with the ones for the same period of time last year.

He did not have any estimates for this year's fiscal deficit.

Official Denies Reports of Fuel Shortage

PA2405194688 Panama City Domestic Service in Spanish 1645 GMT 24 May 88

[Text] The Fuel Directorate of the Ministry of Commerce and Industries has denied reports of an imminent gasoline shortage and stated that the country is already receiving shipments of crude that will guarantee the fuel supply for the next 4 months.

According to Hydrocarbons Director Eng Nitzia de Villarreal, there is a 1-month supply of refined products stored in tanks, and shipments of crude have been received to meet demand for 3 months after the reserves have been spent.

The official said that the first shipment of 360,000 barrels of crude arrived from Mexico on 13 May, while a similar shipment from Ecuador will be unloaded this week. This is adequate to produce enough refined products for 3 months, she added.

Engineer Villarreal said that it is very likely that the Panama Refinery will resume operations this week after being closed temporarily for maintenance. Before this work was begun, enough petroleum was stored to guarantee fuel for the entire country.

The hydrocarbons director said that fuel production efforts are programmed for 1 quarter, and then adjusted according to the needs and demands of the market.

Villarreal also said that guaranteeing the supply of kerosene and liquified gas throughout the country is no problem.

Air Panama Official on U.S. Sanctions Impact

PA2405171088 Panama City LA ESTRELLA DE PANAMA in Spanish 24 May 88 pp 1, 10-A

[Article by James Aparicio]

[Text] Yesterday Cesar Rodriguez Maylin, general manager of the Panamanian airline Air Panama, told LA ESTRELLA DE PANAMA that flight frequency and income have declined drastically and that "activity in the United States is nil."

Rodriguez Maylin said that due to the economic sanctions applied by the United States to our country on 3 March, 75 percent of flights and services have been suspended, which has led to losses of over $17 million.

The airline's general manager said that within a month, Air Panama, which has 550 employees, will initiate new flights to the Caribbean, Canada, and Europe to compensate for the loss of the U.S. market. It will also rent several airplanes, he said.

Rodriguez Maylin said that former President Eric Arturo Delvalle and his collaborator Juan Sosa dismissed 41 of the company's workers in the United States. He accused Delvalle and Sosa of "practically bankrupting the institution."

"I do not have much hope that the crisis will be overcome, because the U.S. sanctions have been maintained," Rodriguez Maylin said.

IRHE Director on 'Poor' Financial Situation
PA2405130388 Panama City Televisora Nacional in Spanish 0000 GMT 24 May 88

[Text] Today Roberto Barraza, general director of IRHE [Institute of Hydraulic Resources and Electrification], said in a news conference that the institution needs approximately $300 million to meet its needs this year. He added, however, that it is estimated that IRHE's revenues will only reach $165 million in 1988. Barraza blamed the institution's poor financial situation on an increase in costs and a decrease in revenues over the last few years.

He also noted that this is a result of, among other things, the public and private sectors' huge debt, which amounts to $62 million. It is also possible that the private sector's debt may reach $80 million in December if the current trend continues. Barraza added that clients must keep their accounts up to date and that a moratorium law would bring chaos for IRHE.

Taxpayers Fund U.S. Envoy's 'Drinking Sprees'
PA2405183288 Panama City CRITICA in Spanish 24 May 88 pp 1, 15

[Article by Carlos J. Nunez L.]

[Text] A Colombian woman named Dorian Evelyn de Villa Rojas is the current mistress of U.S. Ambassador to Panama Arthur Davis, it was learned in the halls and rooms of the Marriott Hotel in Panama City.

Drunk and arrogant, on one of his drinking sprees, Ambassador Davis behaved scandalously in the company of the Colombian woman with brown hair and brown eyes, born in Cali, 32 years old, who was passing through Panama City on her way to New York to attend a fashion show. Marriott Hotel pages who asked to not be identified and other people at the "happy hour" [preceding two words in English] bar told CRITICA that at one of the drunken parties paid for by Davis, the latter said in Spanish a drunken slur to the effect that "Noriega [name as published] is attacking me and not giving me an opportunity to do anything. He doesn't even let me close my eyes to sleep."

U.S. personnel staying at the Marriott have bitterly criticized Davis for paying for his drunken sprees and for the driver and butler of his Colombian mistress with U.S. taxpayers' money." [quotation mark as published]

Argentina

Alfonsin on Economic 'Rumors,' Sourrouille

PY2505013688 Buenos Aires TELAM in Spanish 2224 GMT 24 May 88

[Text] Buenos Aires, 24 May (TELAM)—Clearly referring to recent speculation, President Raul Alfonsin tonight criticized those who spread rumors about the alleged release of new economic measures. He said these rumors generate financial phenomena that can be taken advantage of to make quick deals.

Alfonsin also said these rumors will not force the government to change its economic policies. He expressed great confidence in the results that the government's economic measures will yield beginning in July, and he added that he believes the inflation rate will decrease.

Alfonsin said the rumors sometimes mention Economy Minister Juan Sourrouille's possible resignation. Alfonsin said: God willing, Minister Sourrouille will always be at our side.

President Alfonsin made these remarks at Government House before leaving for the Cabildo to preside over the changing of the guard of the First Patricios Regiment.

Vice President Comments

PY2505011388 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1926 GMT 24 May 88

[Text] Buenos Aires, 24 May (NA)—Vice President Victor Martinez has said that the idea of closing down the exchange offices on 26 and 27 May has been "definitely dropped." Martinez denied reports that the government will implement "a much-talked-about package of economic measures."

He also denied that Rodolfo Tarragno, public works and services minister, would replace Juan Sourrouille at the Finance Ministry.

Martinez was asked about this after his news conference at Government House. He said: "Tarragno will remain at his post and Sourrouille at his."

Martinez talked with reporters after his meeting with President Alfonsin. He said: "There are a lot of rumors going around."

He emphasized that "we not only have to deny these rumors but we also have to positively and clearly state that these rumors, far from offering any solutions, hinder what we consider normal developments in the financial and economic fields."

Asked the source of the rumors, Martinez said there are people who "are always interested in speculation."

Martinez, however, admitted talking with Alfonsin about the possible application of certain economic measures, but he denied that an economic package is being considered.

"We are talking about deregulating the economy, about austerity, and especially about closing fiscal accounts in order to be able to balance the budget and send it to the Chamber of Deputies as soon as possible."

Martinez said the budget will "link expenditures to the GDP. Those who say there will be alternative economic measures to solve the situation in critical areas are only speculating."

The vice president pointed out that there was talk of a new price freeze, but he added that these rumors "do not come from the Finance Ministry, the economic authorities, or from UCR officials."

Regarding Eduardo Angeloz, Martinez said he is "a serious presidential hopeful, very concerned about possible solutions, not to his own problems, but to the problems of the country."

Asked if Angeloz is a candidate without a party, Martinez answered: "Not at all." He recalled that the UCR is in "the midst of an internal decisionmaking process, and it will grant any of its candidates the same support."

Martinez said he also discussed President Alfonsin's upcoming trip to the United States to participate in "the meeting of the UN Disarmament Committee and his lecture in the United States where he will talk specifically about the problem of the foreign debt."

Asked if the government expects changes in the negotiating position of the creditors, Martinez said: "We hope so."

Martinez insisted on condemning the "rumormongers" who speak about "paralyzing the country, as if we were a country in total and absolute decadence, in an absolute total crisis."

He said "this has been denied," and he argued that "I have talked with people in the iron and steel industry and in the automotive industry, and they have told me they are doing very well, that they are selling well."

Crespo Says Missile Construction Feasible

PY2405173888 Buenos Aires Domestic Service in Spanish 1600 GMT 24 May 88

[Excerpt] We have met with the Air Force chief of the general staff, Brigadier Ernesto Crespo. He commented on two issues that have received much attention in the past few hours. The first refers to technical matters. Brig Crespo explained that Argentina has the capability to produce a missile that can carry a multiple warhead and that Argentina can even build the warhead. It should be noted that it would be a conventional non-nuclear device, because Argentine policy does not foresee the use of nuclear energy for military purposes. [passage omitted]

Brazil

Government Resumes Foreign Debt Talks

PY2405140588 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 24 May 88

[Text] The Brazilian Government has resumed negotiations with creditor banks, seeking a new agreement on the foreign debt. The government does not accept the banks' position, which demands that Brazil meet the targets set in an agreement with the IMF before the loans that have been granted will be released.

Finance Minister Mailson da Nobrega is confident that a new agreement that satisfies both the country and the bankers will be reached.

Nobrega Comments

PY2405020088 Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 23 May 88

[Text] The Brazilian Government will resume negotiations with the creditor banks for an agreement on the debt, but it does not accept the position of the creditor banks. They demand that Brazil fulfill the terms of the IMF agreement before they grant loans already agreed upon.

In the last few days, Minister Mailson da Nobrega held talks with international bankers and officials of certain industrialized countries in an effort to obtain support for the Brazilian Governemnt decision to not condition the bank loans on an agreement with the IMF.

As a result of these contacts, Minister Nobrega believes the Brazilian delegation will be able to reach an agreement that is satisfacotry to Brazil.

[Begin Nobrega recording] We have had positive indications that it will be possible to reach an agreement that fulfills our interests as well as those of the banks.

In the negotiation of the debt, there must be a certain consensus; both parties have to give in certain respects to finally reach an agreement that is mutually satisfactory. [end recording]

Further on Nobrega Remarks

PY2505024088 Rio de Janeiro O GLOBO in Portuguese 24 May 88 p 17

[Text] Brasilia—Yesterday Finance Minister Mailson Ferreira da Nobrega said the first installment of the loan that the international creditor banks will grant Brazil—$4 billion of the $5.2 billion in new money that is being negotiated—will not be conditioned to an agreement with the IMF. During a news conference he held yesterday afternoon to confirm the departure of the debt negotiation delegation to New York last night, the minister confirmed the Brazilian Government's rejection of any automatic linkage of the international creditor banks' disbursements to those of the IMF. Nobrega admitted, however, that there will be "some type of connection" between the two agreements.

The banks must have some guarantee that the official financial institutions will take part in the Brazilian program, Mailson said.

According to the minister, Antonio de Pauda Seixas, director of the Central Bank Foreign Debt Department, and Sergio Amaral, Finance Ministry secretary for international affairs, were only allowed to return to New York because there have been clear signs that the banks now have a more flexible position regarding the Brazilian proposals. The government position, Minister Nobrega said, firmly rejects the automatic and inflexible conditioning of the banks' disbursements to an agreement with the IMF. The government also rejects the conditioning of all resources obtained from private sources to an agreement with the IMF.

The finance minister again said he believes the negotiations with the creditor banks will be over in the next few weeks and that the discussions with the IMF and the approval of the Brazilian program by the IMF board will not be finished until the end of July. Mailson said the fact that the two negotiations will end on different dates shows that there will be no formal linkage between the two agreements. Nonetheless, the finance minister emphasized the importance of the IMF role in the normalization of Brazil's relations with the international financial community.

Foreign Minister on L.A., U.S. Ties, Policies

PY2305235988 Sao Paulo FOLHA DE SAO PAULO in Portuguese 22 May 88 p A8

["Text" of interview of Foreign Minister Roberto Costa de Abreu Sodre by FOLHA correspondent Boris Casoy in Brasilia on 20 May]

[Excerpt] FOLHA: The phrase "responsible pragmatism" was coined to sum up Itamaraty's policy during the period of military governments. Then came Minister Olavo Setubal, who coined the phrase "diplomacy for results" to replace the old phrase. Which one is it, Minister Abreu Sodre, responsible pragmatism or diplomacy for results?

Sodre: It is "pragmatism for results."

FOLHA: Sir, could you explain it a little better...

Sodre: "Pragmatism" stands for the way of facing the reality of today's international scene and our limitations on the domestic front; "for results" stands for Brazil's need to return to the path of development without wasting another day in order to stem the tide of social tension before they reach a dangerous level. This is why Itamaraty has to work harder abroad and help pave the way for an accelerating internal development.

FOLHA: Can we say that this expression is a synthesis of the previous two?

Sodre: Yes. I believe my mission as the head of the Foreign Ministry is to give continuity to a line of action that has not suffered setbacks, even during the worst moments of the authoritarian regime. Our diplomacy never relented in its efforts to help the country in its struggle for economic development.

FOLHA: Brazil is going through difficult times. It has stopped paying its debts and established a unilateral moratorium, and it is facing difficulties in resolving its problems with international creditors. Is it difficult to be the foreign minister of this country?

Sodre: Yes. It is difficult. A country that owes over $100 billion is a country that will face difficulties in its foreign relations. However, today Brazil is respected almost everywhere in the world, despite the huge debt. It is my experience through my travels and through multilateral conferences and forums that today Brazil is respected. In all forums we attend we are asked to speak about the problems of development in this part of the world. Brazil is usually invited to discuss international issues with world leaders. It is hard to believe that Brazil was ever invited to hold talks with Shevardnadze. Brazil has held talks with Shultz on political, financial, and economic problems on a regular basis. This means that today we are a strong nation, a nation that is heard. We are the eighth world power, despite the heavy burden of our debt.

FOLHA: Itamaraty is the first to feel changes in the behavior of the world toward Brazil. You, Sir, must feel the reservations and doubts that the world holds toward Brazil. Has the situation of the Constituent Assembly deciding on future institutions, with the country swaying between a powerful state system and a market economy, influenced the view that investors have of the country?

Sodre: There is no doubt about it. Investors want to know where they are investing and how their investment will be received. The question of whether the Constituent Assembly will lean toward a more powerful state or a freer market economy is asked in all the countries I visit. The answer I usually give is not only based on patriotism. I am fully convinced that the new constitution will be liberal, progressive, and without ideological restraints on the participation of foreign capital in the development of the country. If the Eastern world, including communist countries like the PRC, which I just visited, and the Soviet Union, open their markets, why would Brazil close its market? There are some left-wing factions who enjoy opposing everything. They are doing their job in the Constituent Assembly, but the majority does not think like them, and this majority will prevail.

FOLHA: Was it worthwhile to reestablish relations with Cuba?

Sodre: It was worthwhile. Cuba was the only Latin American nation that did not have relations with Brazil. There was no reason not to have relations with Cuba if we maintained relations with Eastern European contries and the PRC. Why would Brazil not reestablish relations with a Caribbean country, a country that belongs to the Latin sphere? This resumption of relations could influence Cuba to restrain the export of its ideology. We began bilateral trade relations with Cuba. It is still incipient, but it will grow.

FOLHA: You depart for the Nordic countries tomorrow. You will be in Europe at the time this interview is published. What benefits does the country expect to obtain from trips like this?

Sodre: The fact that the largest Swedish industrial complex outside Sweden is located in Sao Paulo, Brazil, is reason enough for the trip. Norway also has a large industrial complex in Brazil. I am visiting the Nordic countries within the framework of a policy to increase the investment of countries that are already established in Brazil.

FOLHA: Latin American presidents will meet in Uruguay soon. What is the meaning of this meeting?

Sodre: This is one of the great achievements of Brazilian diplomacy. President Sarney wanted us to branch out from the North-South policy, that is, the policy involving the underdeveloped countries and the industrialized nations, in order to establish a South-South policy involving underdeveloped countries, like Brazil. The agreement that Brazil signed with Argentina and Uruguay was a big step in that direction. This agreement is a starting point for—I would prefer not to say Third World countries—underdeveloped countries, and after 1 year the results really are remarkable.

FOLHA: For many years I have been hearing about Latin American integration. This sounds a bit like rhetoric because integration has actually made very little progress. In my opinion, the expression "Latin American integration" is out-of-date because it has been discredited. Will Latin American integration now take a practical form?

Sodre: Yes. This is why we are being very careful about the starting point we promoted, in order to see whether we can now create in Latin America an organization similar to the EEC. We will carefully grow together with the Latin American countries enjoying a democratic system. If we establish a Southern Cone policy, time will tell when it is appropriate to establish similar alliances with the Northern Hemisphere countries and with the Andean countries. We do not want to state goals that are impossible to achieve. We want to grow gradually so as to not be unrealistic.

FOLHA: Within this framework, what progress is there in the negotiations and the integration efforts of the Group of Eight?

Sodre: The Group of Eight was established in Rio de Janeiro. This is why it is also called the Rio de Janeiro Group. This is a group of political agreements and contacts at a presidential level. These consultations, agreements, among heads of state, and meetings at the ministerial and technical levels four times a year permit us to get acquainted with Latin American problems and to solve them together. This is the reason for the success of the so-called Group of Eight.

FOLHA: When can we expect practical results, Dr Sodre? This generation?

Sodre: Of course. What we have implemented with Argentina and Uruguay is already giving us a very optimistic impression. In the future, we will do the same thing with other countries.

FOLHA: Brazil has improved its relations with Argentina. There is a convergence between the two nations. However, the two countries have just overcome long-held mutual suspicions. Recent geopolitical studies pointed out the two countries as probable future adversaries in the struggle for markets. In other words, countries with a potential for conflict. How is the issue being addressed with Argentina? Are we to imagine that the uneasiness that existed between the two nations has been eliminated just because of a decision by Presidents Alfonsin and Sarney? Have the problems been overcome?

Sodre: There is no doubt about it. We had been turning our backs on each other, and now we are facing each other. The former unrealistic rhetoric, that Argentina was a potential enemy of Brazil and that Brazil was a potential enemy of Argentina, has disappeared. This is true to such an extent that I can give you an example: an Argentine nuclear power plant became accessible to Brazil and a Brazilian nuclear power plant became accessible to Argentina. This means that the plants' former military classification has changed. We are discussing the Brazilian and the Argentine programs for the peaceful use of nuclear energy, and a very great understanding and confidence between the two nations prevails. This example is enough to demonstrate that we are no longer turning our backs on each other but facing each other.

FOLHA: Isn't there a race between Brazil and Argentina to manufacture a nuclear bomb?

Sodre: No, in no way. What we are doing with the nuclear power plants is technologically upgrading for peaceful purposes. This is a new power source that we want to put at the service of the development of the two nations, and not at the service of the destruction of humanity.

FOLHA: How does Brazil view the Panamanian situation now?

Sodre: Brazilian diplomatic tradition is to respect the domestic policy of each country. We expect Panama to call elections soon in order to elect its president.

FOLHA: This no longer happens concerning the South African issue, for example?

Sodre: No. The South African problem is a racial problem. We condemn the obnoxious apartheid system and the South African invasion of another nation, Namibia, an invasion that should be discontinued. A policy of racial discrimination, or religious discrimination, is inconceivable today. Thus, the Brazilian policy toward South Africa is to condemn this action that Pretoria is imposing in southern Africa.

FOLHA: Has Itamaraty exhausted its restrictive diplomatic actions concerning South Africa with the measures already taken, or will these measures be increased?

Sodre: We have taken a thoughtful position, and we will continue to condemn this situation not only directly but also in international forums. We do not have sports or cultural relations with South Africa. This will be the case until the South African regime changes its conduct in terms of human respect between whites and blacks.

FOLHA: In the past few years, our relations with the United States have experienced some turbulence. What is their status now?

Sodre: Such turbulences is only natural when a country grows. When a nation grows, it takes over the space of another nation, and when this happens contentions arise. Brazil is contending with the United States in the field of information science. We are addressing this problem in order to resolve it in terms of respecting the developtment of the two countries in this field. This will also happen in other fields. There are contentions between Japan and the United States. There are contentions between the United States and the EEC. There are contentions between the EEC and Japan. These are nations that grew. After these nations grew, contentions arose. Contentions do not mean a severance of or a decrease in the relations with the fraternal, great nation of the north.

FOLHA: Will Brazil allow the establishment of a PLO embassy on its territory?

Sodre: We cannot. It is a precondition for the diplomatic recognition of a nation that it have a territory. Regardless of their rights—and they have rights, indeed—the Palestinians still have no territory. Thus, our relations with the PLO are of a political and not a diplomatic nature.

FOLHA: Is our foreign policy still concentrating on Africa?

Sodre: There is no doubt that because Brazil is an African nation, it has turned its eyes to Africa.

FOLHA: You called Brazil an African nation. Why?

Sodre: Brazil has turned its eyes to Africa, and we are present in Africa. Brazil is rendering services in more than a dozen African nations in exchange for a nearly

balanced trade. If there is an imbalance in the trade, it is not important, because despite the fact that trade is a two-way activity, there are times of imbalance with a trend toward reaching a balance in the future. This is what we are trying to reach.

FOLHA: There are people who say that this African policy does not have any practical results because those African nations are experiencing an economic situation worse than ours. Is it true that those African nations are not paying?

Sodre: Some are not. Other nations have very great economic potential. As an example, I can name Angola and Nigeria. These are extremely rich nations. They produce petroleum. They pay, and good trade relations can be established with them. There are other impoverished nations. We have the duty to give them cultural assistance and services. However, we must do this without seeking a balance in trade. This is one of Brazil's duties to Africa. [passage omitted]

PFL Senator Demoted by Party Leadership
PY2405123388 Sao Paulo E ESTADO DE SAO PAULO in Portuguese 21 May 88 p 5

[Excerpt] Yesterday, Marcondes Gadelha, the present PFL party leader in the Senate, removed Carlos Chiarelli, a former PFL leader in the Senate, from the presidency of the Senate's Fiscal and Control Committee. Gadelha sent a note to Senate President Humberto Lucena informing him of his decision. The note adds that Chiarelli will be replaced by Senator Odacir Soares (Roraima territory) and that Senator Alexandre Costa will be the alternate committee chairman. Both Costa and Soares are loyal to the government.

Senator Gadelha justified the decision on the grounds that it was prompted by Chiarelli when he "challenged" the leadership of Gadelha and when he said that Gadelha had neither "the power nor the courage" to remove him. "He took the initiative and gave me no choice. He offered to resign," Gadelha said.

Marcondes Gadelha explained that Article 86 of the Senate's internal regulations empowers the leader to remove full and alternate members of committees, and that he made the decision "to establish a minimum balance, because the four PFL members of the committee are all opposition members." The committee members are Chiarelli, Guilherme Palmeiras, Jose Agripino, and Afonso Arinos.

Gadelha said that the replacement of Chiarelli will not give the government a majority in the committee, "where the government will continue to hold a clear minority." He said that Senate regulations clearly state that he is empowered to remove committee members. "There is no other possible interpretation," he said.

Marcondes Gedelha added that he does not intend to push Chiarelli out from the committee that investigates corruption cases. Chiarelli is the committee spokesman. "I will not accept his resignation. Even if Chiarelli scolds me I will not remove him from the committee. I want him to stay there until the investigation is over, to really find out if there is corruption," Gadelha noted. [passage omitted]

Intelligence Activities in Paraguay Reported
PY2405143188 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 May 88 p 17

[By Roberto Godoy]

[Text] Two weeks before the arrival of the pope in Paraguay, Paraguayan opposition leader Domingo Laino met with two Vatican envoys who transmitted to him a personal message from the pope. On the same day, the Brazilian intelligence services learned about a clandestine visit that Laino paid to Brazil, but did not pay much attention to it. According to a military officer linked with the services, this fact "clearly shows the government's position toward the Paraguayan situation: a continuous appraisal of the situation and frequent evaluations, but no intervention." This policy actually signifies a change, because until the end of the Joao Figueiredo administration "there was close cooperation in the security area."

This cooperation was so close, in fact, that even the future of the country was involved, at least on one specific occasion. It was in 1983, when the Brazilian Government prevented an attack against President Alfredo Stroessner. The "services" discovered that four men, "linked with an armed extremist group," had clandestinely entered Paraguay through the Bolivian border.

This information was quickly passed on to the Paraguayan political police. The members of the armed group, who passed themselves off as civil construction workers, were arrested at the Itaipu binational zone, where the attack was to take place during one of the president's visits to the plant. The guerrillas were found with LAW antitank rocket launchers. These launchers were the same type used to kill former Nicaraguan dictator Anastasio Somoza in 1980 in Asuncion and that were later used in an attack against Chile and General Augusto Pinochet in September 1986. In Brasilia, the information on this case was filed with a peculiar order: that it never be disclosed and, in case of a leak, the information would not be confirmed. This may have been the last major joint operation between the "intelligence communities" of the two countries after almost 30 years of cooperation. "Let us be impartial," the officer said: "With 600,000 Brazilians living in Paraguay—this number accounts to 20 percent of a population of 2.7 million—the participation or control is very active."

Itamaraty's diplomatic doctrine maintains that, from a strategic viewpoint, Paraguay is a relief valve between Brazil and Argentina. The military government's attempts to attract Stroessner to the Brazilian side were

successful: 60 percent of the economic activities dealing with agriculture, industry, rendering of services, and commerce are in the hands of Brazilian citizens, working as partners with Paraguayans. Armed Forces equipment has been basically provided by Sao Paulo's military and aerospace industry: 12 M-3A3 light tanks, modernized by the Bernardini company; 20 Cascavel and 11 Urutu armored vehicles manufactured by Engesa [Specialized Engineers, Inc.]; 4 Tucano and 8 Xavante planes built by Embraer [Brazilian Aeronautics Co.]; in addition to a large quantity of ammunition, radio communication systems, and even uniforms. Furthermore, many officers of several ranks, including staff members, are trained at Brazilian Army, Air Force, and Navy schools. The officer said that "this process of identification has substantially reduced the commotion caused by the 1864-70 war," adding that "civilian society, however, still feels strongly about it."

Brazil's strategic presence in Paraguay appears in essential sectors. For example, energy is basically generated by Itaipu. Another binational program with Argentina for the construction of the the Corpus and Yacyreta power plants was delayed due to Argentina's economic difficulties. Paraguayan soybeans, lumber, cotton, and corn are transported through an export corridor in Parana State to the port of Paranagua. Communications are interconnected. These cooperation projects have generated the need for a reliable intelligence service, which is rendered by a "considerable" number of agents and analysts in Paraguay. These people have been assigned to cultural organizations like the centers of Brazilian studies, which some leaders of the intelligence "services" call "agencies" or "stations." Their objective is to make an accurate evaluation of the predisposition of society and at the same time to exercise some kind of favorable intellectual influence. There are reportedly about 50 professionals working for these objectives in Paraguay.

The main concern of those professionals is to follow the succession process. President Stroessner is 76 years old and has not as yet appointed a political heir. According to the source, "the Brazilian Government's concern centers around the need for a calm process." The ideal candidate in Brazil's thinking is Eng Enzo Debernardi, Itaipu binational assistant director, who, according to the "services," is a man of modern, moderate policies who agrees with the essentials of Itamaraty's foreign policy. Another possible candidate could be someone in the military, though "not the defense minister." The least appropriate candidate is Stroessner's son, Alfredito, a truculent individual who lives an irregular life. In this regard, the source made a stinging comment: "When Alfredito enters Brazilian territory through the border, he drives one of the continent's heavier Mercedes Benz's. When he returns—in the same car—it is one of the lighter ones."

Offshore Oil Platform Still Out of Operation

PY2405135688 Brasilia Radio Nacional da Amazonia in Portuguese 1000 GMT 24 May 88

[Text] Mines and Energy Minister Aureliano Chaves believes that it will be difficult to completely restore the oil-drilling platform that caught fire in the Anchova offshore oil field.

With the platform out of operation, Petrobras is losing 77,000 barrels and 2 million cubic meters of natural gas per day. Minister Chaves, however, guaranteed that there will be no need to increase oil imports. Predictions on the feasibility of recovering the Anchova oil-drilling platform will depend on technical evaluations that have not yet been made. This statement was made by Minister Aureliano Chaves. He said that even with the injection of 35 million gallons of water per hour, bubbles of gas still remain, and the fire has not been completely put out.

[Begin Chaves recording] We have already made a hole [words indistinct]. We hope that with these measures it will be eliminated. Fires, especially a gas fire, are [words indistinct]. The platform has been completely burned, and we will have great difficulties. I have doubts about the possibility of recovering the platform. [end recording]

The most likely way to restore the oil supply will come from three floating platforms, which would work only as two [as heard]. Neither Minister Aureliano Chaves nor Petrobras President Osires Silva believe that imported oil will be needed.

Chile

Prosecutor Files Charges Against Priests

PY2405144888 Madrid EFE in Spanish 0356 GMT 24 May 88

[Text] Santiago, 23 May (EFE)—Today military prosecutor Enrique Ibarra filed charges against four priests who last December signed a document morally disqualifying the extension of the Chilean military regime and the possible candidacy of General Augusto Pinochet.

The charges were filed against priests Eugenio Pizarro, Jose Aldunate, Roberto Bolton, and Oscar Jimenez.

The 4 priests and another 150 clergymen and laymen morally disqualified Gen Pinochet's candidacy in a document entitled "Open Letter to the Public."

The document also held Pinochet "responsible for all the atrocities committed."

The document also asked for the resignation of President Pinochet because of the situation "prevailing in the country such as killings, generalized misery, and violation of human rights."

PCCh Not Decided on Plebiscite Stand

PY2405040188 Santiago Radio Chilena in Spanish 2300 GMT 24 May 88

[Text] Communist Party leader Jose Sanfuentes has stated that the PCCh will decide on the position it will adopt in the upcoming plebiscite in due time.

According to some reports, the PCCh would call for the no vote in the plebiscite within 15 days. [recorded passage indistinct]

Sanfuentes said that one possibility is to abstain from participating in the upcoming plebiscite, and the other is to vote no with no hope of victory, because, in his opinion, the Pinochet regime will commit fraud.

Sanfuentes added that Communists are more concerned about the unity of the opposition forces with a view toward popular mobilization because this is the only way to defeat the dictatorship.

Sanfuentes was asked about the statement of the vice chairman of the Christian Democratic Party, Edgardo Boeninger, that even if the Communists support the no vote, they will not be admitted to the coalition of the 15 parties that support the no vote. [recorded passage indistinct]

Sanfuentes said: We are sure the division of the opposition forces helps to keep the dictatorship alive. He finally urged all opposition sectors to to give up factional attitudes and take advantage of the plebiscite to defeat the regime.

Electoral Service Updates Registration Figures

PY2505025088 Santiago EL MERCURIO in Spanish 17 May 88 p C4

[Excerpt] Yesterday the Electoral Service Directorate reported that 5,493,489 voters have been registered as of 30 April.

In a bulletin, the Electoral Service Directorate reported that 447,664 voters were registered in April 1988.

The bulletin states that 470,313 voters were registered in March 1988, the largest number for 1 month so far.

Of the 5,493,489 voters registered, 50.1 percent, 2,748,685 voters, are men, and 49.9 percent, 2,744,804 voters, are women. [passage omitted]

Colombia

Hijacker Identified as 'Well-Known Criminal'

PA2405191588 Bogota Inravision Television Cadena 1 in Spanish 1731 GMT 24 May 88

[Text] Cartagena authorities have identified the Avianca airplane hijacker, who said his name was Alberro Jimenez, as well-known criminal Gonzalo Carreno Nieto. He hijacked the plane over a period of 11 hours, threatening the crew with a fake grenade. Here is a report on this:

[Begin reporter Ana Eloisa Zuniga recording] At this time, Gonzalo Alfredo Ignacio Carreno Nieto is being questioned here in Cartagena. Carreno, who is approximately 35 years old, was the man who kept the country in suspense for 11 hours while he hijacked the Avianca HK-1400 airplane, using a toy grenade and thus beginning a journey that took him through airports in Medellin, Panama, and Aruba, ending up at Cartagena's Rafael Nunez Airport.

The frustrated hijacker, seeing that it would be impossible to achieve his goal, jumped from the airplane while it went down the runway and spent the entire night hiding in the nearby swamps.

The cold and calculating Carreno had devised such a thorough plan that he knew that the Cartagena runway was the only one in the country that was not under surveillance at that hour. However, he had not taken into consideration the necessity of hiding out in the swamps until dawn, where he was later captured. [end recording]

ELN Blows Up Pipeline; Peasants Block Roads

PA2405173188 Bogota Emisoras Caracol Network in Spanish 1215 GMT 24 May 88

[Report by Marcos Perales Mendoza]

[Text] Bucaramanga—Intensive military operations are under way in several areas of Santander following terrorist attacks and crimes by guerrilla groups that have occurred during the last few hours.

Forces of the 2d Army Division are pursuing ELN [National Liberation Army] subversives in (?Lebrija) municipality, where they dynamited two sections of the Barrancabermeja-Bucaramanga gas pipeline, leaving the capital of Santander Department without natural gas service. In addition, [words indistinct] brigade are carrying out control and tracking operations after ELN guerrillas blew up a bridge on the Bucaramanga-Bogota Highway.

In (Garcia Rovira) Province, close to 200 peasants are blocking road traffic between Cerrito and (Nagas) municipalities. Finally, the road is blocked between Bucaramanga and Barrancabermeja at La Fortuna, where a large number of peasants are marching toward this capital.

A subversive group killed two soldiers.

Ecuador

Officials Predict Petroleum Investment Growth

PA2405173288 Quito Voz de los Andes in Spanish 1200 GMT 24 May 88

[Text] According to official estimates, spectacular growth in public investments in the petroleum sector will occur in 1988 at levels almost as high as those registered in 1985.

According to reports, public investments in 1988 will reach 29.6 percent of the gross domestic product, a figure far exceeding that of 1987, when they only reached 21.7 percent of the gross domestic product. A major portion of the planned public investment is in the petroleum sector, where total investments will amount to 13.5 percent of the gross domestic product, as opposed to only 6.2 percent in 1987. Investments for other sectors will increase by only 0.6 percent of the gross domestic product compared to the 1987 figure.

It is estimated that all these investments will serve to increase the growth rate of the Ecuadoran economy compared to last year. The basis for this growth will be petroleum sector investments. The nonpetroleum sectors of the economy, on the other hand, will experience stagnation.

Paraguay

Prosecutor Wants Saguier Jailed for 18 Months

PY2405120988 Asuncion LA TARDE in Spanish 23 May 88 p 28

[Text] This morning Prosecutor Pablina Bogarin Zorrilla demanded that opposition politician Miguel Abdon Saguier be senteced to 18 months imprisonement for having said that the people have the right to rebel against tyrannies.

In a note addressed to Judge Jose Ramirez, the prosecutor states that Abdon Saguier, an Authentic Radical Liberal Party member, violated Article 3 of Law No 209, which refers to the internal security of the state. It should be recalled that Saguier is also being prosecuted for having said that the government protects drug traffickers.

Peasant, Union Leaders Released 23 May

PY2405143688 Asuncion HOY in Spanish 24 May 88 p 21

[Text] Marcelino Corazon Medina, Pedro Gamarra, Teodoro Gonzalez, Carmelicio Torales, Hector Torales, and Arcadio Flores, who were held in detention at the Security Guard Unit, were released on 23 May. Lawyer Marcial Gonzalez Safstrand submitted a writ of habeas corpus in their favor to the Supreme Court. The lawyer indicated in his writ that the aforementioned people "were detained arbitrarily without a warrant signed by a judge; therefore they had committed no crime." Thus, he requested their release based on Article 59 of the Constitution and Articles 6,649, and 650 of the Penal Code.

Moreover, it was learned during the morning of 23 May that they were released.

Peru

Garcia Visits Cayara, Affirms Support for Army

PY2305140088 Madrid EFE in Spanish 0338 GMT 23 May 88

[Text] Lima, 22 May (EFE)—Today Peruvian President Alan Garcia traveled to Cayara, Ayacucho Department, where military units allegedly killed several peasants. Upon returning to Lima, President Garcia expressed support for the Armed Forces in their struggle against subversion.

President Garcia said in Ayacucho and in Lima that he went to Cayara to meet with prosecutor Carlos Escobar, who is in charge of the investigation, with the local mayor, and with the people because he said "I want this event fully clarified."

He added that he has ordered a thorough investigation and that the committee, which is made up of Defense Minister General Enrique Lopez Albujar and Justice Minister Camilo Carrillo, who were in Cayara on 21 May, will return to that town to get more information.

Today the committee released a communique denying the killing of about 100 people by an Army unit. The communique says that "it has been verified that the report of the alleged killing on 14 May is false."

President Garcia said that the committee will return to Cayara to meet with prosecutor Escobar and to enhance the information they obtained on 21 May.

Garcia added: "If a thorough investigation is conducted, we will all gain from it. The antisubversive struggle, the Armed Forces, the Army, and the government are going to gain from it."

Garcia said that the members of the Armed Forces "are defending the fatherland and democracy" and that he supports them in their struggle against subversion.

President Garcia emphasized that "if excesses were committed they do not compromise the Army or the Armed Forces," and that a thorough investigation must be conducted to prevent any cover up, if a mistake was made," because "it would be a great mistake to cover it up." [quotation marks as received]

Garcia said that he went to Cayara not only to get more details of the alleged killing, but also to learn more about the killing of an Army captain, two corporals, and a sergeant in a terrorist ambush on 13 May in Huancapi.

Garcia added: "Human rights do not only belong to terrorists. So far nothing has been heard of the human rights of the officer and the soldiers who died defending democracy."

Garcia also said that Cayara is the zone where "there is the greatest terrorist activity" in Ayacucho and that the committee communique released today is valid. However, he said "we need to continue with the investigation because we cannot leave loose ends."

Deputy Gustavo Espinoza of the United Left, who is a member of his party's congressional committee, said upon returning from Cayara that 28 deaths have been verified but that the overall outcome of the event has not been established.

Prime Minister's Office on Cayara Investigation

PY2305035988 Lima Television Peruana in Spanish 0100 GMT 23 May 88

[Text] The Prime Minister's Office reports to the citizenry the following:

1. Regarding a visit made by Justice Minister Dr Camilo Carrillo; Defense Minister Enrique Lopez Albujar; Dr Raul Serrano Bosna, a senior member of the Lima bar association; and Msgr Augusto Benzebil Ferro, Lima's auxiliary bishop, to the town of Cayara, Victor Fajardo Province, Ayacucho Department, in response to a government request, the Prime Minister's Office hereby reports that it is transferring to the Attorney General's Office the reports supplied by Cayara inhabitants on killings in the Jechga area, a rural area near the Pampa River. Unspecified armed actions have reportedly taken place in this area, actions that must be further investigated by the Attorney General's Office and that, owing to their nature, were beyond the scope of the delegation sent.

2. In addition, the Prime Minister's Office hereby reports that the authorities of the political-military command of the emergency zone have been instructed to provide facilities and maximum guarantees to the appropriate trial judge and provincial prosecutor in order to continue the pretrial inquest initiated on 20 May 1988. This instruction has been reiterated in situ by the official government delegation.

3. The government reiterates its decision to completely clarify the contradictory reports that may exist concerning an incident in the Jechga area on 14 May, fully supporting the appropriate constitutional authorities and full freedom of the press.

4. The government reiterates its firm decision to confront the terrorist subversion, a task the Armed Forces and police are fulfilling with self-denial and patriotism using the methods provided for by the Constitution and laws.

In addition, the government guarantees the respect for and the defense of human rights.

Lima, 22 May 1988

[Signed] Secretariat of the Prime Minister's Office

Military Kills 10 'Subversives' 18, 19 May

PY2305150788 Madrid EFE in Spanish 2213 GMT 22 May 88

[Text] Lima, 22 May (EFE)—Today it was officially reported in Lima that 10 alleged members of the Shining Path terrorist group have died in confrontations with military patrols in the Andean hills of the Peruvian department of Ayacucho.

The incidents occurred on 18 and 19 May in the Chorrajosa Hills and at Yana Orjo, located in Huanta Province, Ayacucho Department, according to a communique released by the military organization that oversees the Ayacucho emergency zone.

The report released by the Central National Security Zone indicates that a military patrol was sent to the region where the confrontations occurred. It has been learned that on 17 May a column of approximately 50 rebels tried to attack the police unit that guards a retransmission antenna located on Yana Orjo Hill, which is at an altitude of 4,000 meters.

The first confrontation occurred on Chorrajosa Hill, which is at an altitude of 4,200 meters, where according to the communique three "subversive criminals" died, while at Yana Orjo seven subversives died on 19 May. The patrols did not suffer any casualties.

The communique adds that approximately 30 members of the Shining Path were able to escape by dispersing in the area. A submachine gun, homemade bombs, explosives, plenty of food, and propaganda material was confiscated.

Republican Guard Killed at Lurigancho

PY2305201488 Lima Television Peruana in Spanish 1800 GMT 23 May 88

[Text] A Republican Guard was murdered this morning by some alleged terrorists in San Juan de Lurigancho. Policeman Emigio Castanera Mendoza was killed by three unidentified individuals at 0530 this morning in the 9th block of (El Habito) Street in the fifth zone of the San Juan de Lurigancho industrial district.

Police are trying to identify the murderers.

Uruguay

Gen Berois on Army Role, Responsibilities

PY2405174588 Montevideo EL DIA in Spanish 19 May 88 p 5

[Text] Yesterday Army chief Lieutenant General Carlos Berois said that the nation's forces are "exclusively at the service of the state and there is no intention of using that power to compete with the powers that were legally constituted."

This statement, reaffirming the submission of military power to civilian power, was made by Gen Berois in a speech on Army Day.

President Julio Maria Sanguinetti, Vice President Enrique Tarigo, and high-ranking government officials attended the Army Day celebration in Army Square.

Gen Berois mentioned the lack of funds to get the necessary materiel for the Army to conduct its mission and "the real deterioration of salaries," but that despite these problems the Army was able to carry out its specific mission, as well as several civic action tasks.

Gen Berois also said that the Army as an organization and its members have been insulted, and that "these actions are aimed at confounding the people, at creating animosity toward the Armed Forces, at debilitating the will of their members, and at breaking up the unbreakable moral strength which unites them in their high mission of unrestricted support for the institutions."

Gen Berois also said that the military men are "struggling against adversity" and are "trying to overcome obstacles" by working self-denyingly "without personal desire or ambition."

He added: Military men "do not seek any other activity than the one established by their position and rank," and that "the Army is an institution of the Republic which is aware of its role in the organization of the state and aware of the responsibility which it does not avoid or delegate to others."

Berois said that the Army is "willing to give its best in the conquest for the well-being of Uruguayans," and that "on our day, Army Day, we reiterate our commitment of honor to the fatherland, its institutions, and the system of government which Uruguayans have freely chosen."

He added: "Let us strengthen our decision to remain united and express our willingness to forget our differences for the common good."

He concluded his speech by addressing the members of the Army. Berois said that "peace cannot be achieved without sacrifices, and we know the sacrifices you are making to achieve it."

He said: "The type of peace we want for our fatherland is very clear in our minds and it is the type that is not different from the peace wanted by the large majority of our compatriots."

He added: "Our goal is peace."